CAESARS ENTERTAINMENT

CAESARS ENTERTAINMENT, INC.

$1,500,000,000 % Senior Secured Notes due 2032

Caesars Entertainment, Inc., a Delaware corporation (the "Company," the "Issuer," "we," "us," "our" or similar terms), is offering $1,500,000,000 aggregate principal amount of its % senior secured notes due 2032 (the "Notes") to be issued pursuant to an indenture, to be dated on or about , 2024 (the "Indenture"), by and among us, the Subsidiary Guarantors (as defined below) party thereto, U.S. Bank Trust Company, National Association, as trustee (in such capacity, the "Notes Trustee"), and U.S. Bank National Association, as collateral agent (in such capacity, the "Collateral Agent").

The net proceeds from the sale of the Notes to the initial purchasers will be used, together with the anticipated net proceeds of the CEI Term B-1 Loans (as defined below), (x) to (a) tender, redeem, repurchase, defease or satisfy and discharge any and all of the Issuer's 6.250% Senior Secured Notes due 2025 (the "2025 Secured Notes") pursuant to the Tender Offer and the 2025 Secured Notes Redemption (if any) (each as defined herein), issued pursuant to that certain Indenture, dated as of July 6, 2020 (as supplemented, the "2025 Secured Indenture"), by and among the Issuer (as successor in interest to Colt Merger Sub, Inc.), the subsidiary guarantors party thereto, U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as trustee, and U.S. Bank National Association, as collateral agent, together with all accrued interest, fees and premiums thereon related to the foregoing, and (b) pay fees and expenses in connection with the foregoing transactions, and (y) if there are any remaining proceeds, for general corporate purposes, including, without limitation, to potentially repay certain outstanding indebtedness of the Issuer or any of its subsidiaries. See "*Summary—Recent Developments—Refinancing Transactions*" and "*Use of Proceeds*."

The Notes will mature on , 2032. Interest on the Notes will be paid semi-annually in cash in arrears on and of each year, commencing , 2024.

The Issuer may redeem the Notes, in whole or in part, at any time prior to , 2027 at a price equal to 100% of the principal amount of such Notes redeemed plus accrued and unpaid interest to, but excluding, the redemption date and a "make-whole" premium. Thereafter, the Issuer may redeem the Notes, in whole or in part, at the redemption prices set forth under the section entitled "*Description of Notes*," as applicable. In addition, on or prior to , 2027, the Issuer may redeem up to 40% of the aggregate principal amount of the Notes with the net cash proceeds from certain equity offerings by the Issuer at the redemption price set forth in this Offering Memorandum. The Issuer may also redeem or require the disposition of a holder's Notes following certain determinations by gaming authorities. There is no sinking fund for the Notes.

The Notes will be guaranteed (the "guarantees") on a senior secured basis by each existing and future wholly-owned domestic subsidiary of the Issuer that is a guarantor with respect to the Issuer's senior secured credit facilities (the "CEI Credit Facilities") under that certain Credit Agreement, dated as of July 20, 2020, among the Issuer, the lenders party thereto from time to time, JPMorgan Chase Bank, N.A., as administrative agent, and U.S. Bank National Association, as collateral agent (as amended, supplemented or otherwise modified from time to time, the "CEI Credit Agreement"), the 2025 Secured Notes (prior to the consummation of the Tender Offer and the 2025 Secured Notes Redemption (if any)), the 2030 Secured Notes (as defined herein) and certain other first-priority lien obligations, if any (collectively, the "Subsidiary Guarantors"). The Notes and guarantees of the Notes will be the Issuer's and the Subsidiary Guarantors' senior secured obligations secured on a first-priority pari passu basis on substantially all of the property and assets of the Issuer and the Subsidiary Guarantors, now owned or hereafter acquired by the Issuer and any Subsidiary Guarantor, that secure the obligations under the CEI Credit Facilities, the 2025 Secured Notes (prior to the consummation of the Tender Offer and the 2025 Secured Notes Redemption (if any)), and the 2030 Secured Notes and certain other first-priority lien obligations, if any, subject to certain permitted liens and certain exceptions described under "*Description of Notes*." The Notes and guarantees of the Notes will rank equally in right of payment with all of the Issuer's and the Subsidiary Guarantors' existing and future first priority lien obligations, will rank senior in right of payment to the Issuer's and the Subsidiary Guarantors' existing and future subordinated indebtedness, will be effectively senior to all senior indebtedness of the Issuer and the Subsidiary Guarantors that is unsecured or that is secured by a lien ranking junior in priority to the liens securing the Notes and the guarantees thereof, including the obligations under the 2027 Notes and the 2029 Notes (each as defined herein), in each case, to the extent of the value of the assets securing the Notes, and will rank equally to the Issuer's and the Subsidiary Guarantors' existing and future first priority lien obligations, including indebtedness under the CEI Credit Facilities, the 2025 Secured Notes (prior to the consummation of the Tender Offer and the 2025 Secured Notes Redemption (if any)), and the 2030 Secured Notes, to the extent of the value of the assets securing the Notes. The Notes and related guarantees will be structurally subordinated to any obligations of any subsidiary of the Issuer that is not a Subsidiary Guarantor. As further described herein, the pledges of the equity interests in and assets of certain of our subsidiaries that are gaming licensees or registered holding companies of gaming licensees under Nevada and/or New Jersey gaming laws will not be effective unless and until such pledges are approved by the Nevada Gaming Control Board, the Nevada Gaming Commission and the New Jersey Division of Gaming Enforcement, as applicable. Additionally, certain of our subsidiaries that are gaming licensees or registered holding companies of gaming licensees under New Jersey gaming laws will not be required to become guarantors of the Notes unless and until such guarantees are approved by the New Jersey Division of Gaming Enforcement.

Investing in the Notes involves a high degree of risk. See "*Risk Factors*" beginning on page 8.

Price of Notes:	%

The Notes have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any other jurisdiction, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold only (a) to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) and (b) outside the United States to non-U.S. persons in compliance with Regulation S under the Securities Act. For details about eligible offers, deemed representations and agreements by investors and transfer restrictions. See "*Transfer Restrictions*." The Notes will not be listed on any securities exchange or provide for any registration rights. None of the Securities and Exchange Commission (the "SEC"), any state securities commission, nor any other gaming authority has passed upon the accuracy or adequacy of this Offering Memorandum or the investment merits of the Notes offered hereby. Any representation to the contrary is unlawful.

The initial purchasers expect to deliver book-entry interests in the Notes to purchasers on or about , 2024 through the facilities of The Depository Trust Company ("DTC"). See "*Book Entry; Delivery and Form*."

Joint Book Runners

Deutsche Bank Securities	**BofA Securities**	**J.P. Morgan**
Barclays	**US Bancorp**	**Citizens Capital Markets**
Truist Securities	**BNP PARIBAS**	**Wells Fargo Securities**
SMBC Nikko		**Goldman Sachs & Co. LLC**
Citigroup		**Macquarie Capital**

Co-Managers

Santander **KeyBanc Capital Markets** **Fifth Third Securities**

CBRE

The date of this Offering Memorandum is , 2024.

You should rely only on the information contained in or incorporated by reference in this Offering Memorandum or in any term sheet that we may provide to you. Neither we nor the initial purchasers have authorized any person to provide you with any information or represent anything about us or this offering of the Notes that is not contained in or incorporated by reference in this Offering Memorandum or in any term sheet that we may provide to you. If given or made, any such other information or representation should not be relied upon as having been authorized by us or the initial purchasers. Neither we nor the initial purchasers take responsibility for, or can provide assurance as to the accuracy of, any other information that others may give you. We are not, and the initial purchasers are not, making an offer to sell the Notes in any jurisdiction where an offer or sale is not permitted.

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IMPORTANT INFORMATION

Unless the context requires otherwise, references to "Caesars," the "Company," the "Issuer," "we," "us," "our" or similar terms are to Caesars Entertainment, Inc., a Delaware corporation. References to "$" and "dollars" are to United States dollars.

NOTICE TO INVESTORS

This offering of the Notes is being made in reliance upon an exemption from registration under the Securities Act for offers and sales of securities that do not involve a public offering.

This Offering Memorandum has been prepared by us solely for use in connection with the proposed offering of the Notes described in this Offering Memorandum. This Offering Memorandum is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire securities. Distribution of this Offering Memorandum to any person other than the prospective investor and any person retained to advise such prospective investor with respect to its purchase is unauthorized, and any disclosure of any of its contents without our prior written consent is prohibited. Each prospective investor, by accepting delivery of this Offering Memorandum, agrees to the foregoing and to make no photocopies of this Offering Memorandum or any documents referred to herein.

The initial purchasers make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in, or incorporated by reference into, this Offering Memorandum. Nothing contained in, or incorporated by reference into, this Offering Memorandum is, or should be relied upon as, a promise or representation by the initial purchasers as to the past or future. The initial purchasers have not independently verified any of the information contained herein, or incorporated by reference into (financial, legal or otherwise), and assume no responsibility for the accuracy or completeness of any such information.

NONE OF THE SEC, ANY STATE SECURITIES COMMISSION, ANY OTHER FEDERAL OR STATE SECURITIES COMMISSION NOR ANY OTHER REGULATORY AUTHORITY, INCLUDING ANY GAMING AUTHORITY, HAS APPROVED OR DISAPPROVED THE SECURITIES NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OF THE NOTES OR THE ACCURACY OR ADEQUACY OF THIS OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and the applicable securities laws of any state or other jurisdiction pursuant to registration or exemption from registration. As a prospective purchaser, you should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time. Neither we nor the initial purchasers are making an effort to sell the Notes in any jurisdiction where the offer and sale of the Notes is prohibited. We do not make any representation to you that the Notes are a legal investment for you. For additional information, see "*Transfer Restrictions*" and "*Plan of Distribution*."

In making any investment decision, prospective investors must rely on their own examination of us and the terms of this offering of the Notes, including the merits and risks involved. Prospective investors should not construe anything in, or incorporated by reference into, this Offering Memorandum as legal, business or tax advice. Each prospective investor should consult its own advisors as needed to make its investment decision and to determine whether it is legally permitted to purchase the Notes under applicable legal investment or similar laws or regulations. Each prospective investor must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells Notes or possesses or distributes this Offering Memorandum and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and neither we nor the initial purchasers nor any of our or their respective representatives shall have any responsibility therefor.

Some of the initial purchasers participating in this offering of the Notes may engage in transactions that stabilize, maintain or otherwise affect the price of the Notes, including over-allotment, stabilizing and short-covering transactions in the Notes, and the imposition of a penalty bid during and after this offering of the Notes. Such

stabilization, if commenced, may be discontinued at any time. For a description of these activities, see "*Plan of Distribution—Certain Relationships*."

This Offering Memorandum contains, or incorporates by reference, summaries believed to be accurate with respect to certain documents, but any such summaries are not complete, and reference shall be made to the actual documents for complete information. All such summaries are qualified in their entirety by such reference. Copies of documents referred to herein will be made available to prospective investors upon request to us or the initial purchasers.

We reserve the right to withdraw this offering of the Notes at any time. We and the initial purchasers also reserve the right to reject any offer to purchase the Notes in whole or in part for any reason and to allot to any prospective investor less than the full amount of Notes sought by such investor.

Each person receiving this Offering Memorandum acknowledges that (1) it has been afforded an opportunity to request and to review, and it has received, all additional information considered by it to be necessary to verify the accuracy of or to supplement the information in this Offering Memorandum, (2) it has not relied upon the initial purchasers or any person affiliated with the initial purchasers in connection with its investigation of the accuracy of such information or its investment decision, (3) this Offering Memorandum relates to an offering that is exempt from registration under the Securities Act and may not comply in important respects with SEC rules that would apply to an offering document relating to a public offering of securities and (4) no person has been authorized to give information or to make any representation concerning us, this offering of the Notes or the Notes, other than as contained in this Offering Memorandum, in connection with an investor's examination of the Issuer and the terms of this offering of the Notes.

TRADEMARKS AND TRADE NAMES

We have proprietary rights to trademarks used in the information incorporated by reference into this Offering Memorandum, which are important to our business, many of which are registered under applicable intellectual property laws. Solely for convenience, trademarks and trade names referred to in the information incorporated by reference in this Offering Memorandum may appear without the "®" or "™" symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent possible under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names. We do not intend our use or display of other companies' trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, any other companies. Each trademark, trade name or service mark of any other company appearing in this Offering Memorandum is the property of its respective holder.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Offering Memorandum, and the documents to which this Offering Memorandum refers, contain forward-looking statements within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. Any statements contained in this Offering Memorandum or any such documents made by or attributable to us that are not statements of historical fact are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and should be evaluated accordingly. Words such as "estimate," "believe," "anticipate," "expect," "intend," "target," "should," "may," "will," "plan," "goal," "seek," "strategy," "future," "likely" and similar expressions and their negative forms are intended to identify forward-looking statements. These statements are made on the basis of management's current views and assumptions regarding future events.

Forward-looking statements are based upon certain underlying assumptions, including any assumptions mentioned with the specific statements, as of the date such statements were made. Such assumptions are in turn based upon internal estimates and analyses of market conditions and trends, management plans and strategies, economic conditions and other factors. Such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond our control. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend upon future circumstances that may not occur. Actual results may differ materially from any future results, performance or achievements expressed or implied by such statements. These risks and uncertainties include those set forth under "*Risk Factors*" beginning on page 8, and those set forth under "*Cautionary Statement Regarding Forward-Looking Statements*," "*Risk Factors*" or any similar heading in the documents incorporated by reference into this Offering Memorandum. Some of the contingencies and uncertainties to which any forward-looking statement contained herein are subject include, but are not limited to, the following:

- our sensitivity to reductions in discretionary consumer spending as a result of downturns in the economy and other factors outside our control;
- projections of future results of operations or financial condition;
- expectations regarding our business and results of operations of our existing casino properties and prospects for future development;
- the impact of economic trends, inflation and public health emergencies on our business and financial condition;
- expectations regarding trends that will affect our market and the gaming industry generally, including expansion of internet betting and gaming, and the impact of those trends on our business and results of operations;
- our ability to comply with the covenants in the agreements governing our outstanding indebtedness and leases;
- our ability to meet our projected debt service obligations, operating expenses, and maintenance capital expenditures;
- expectations regarding availability of capital resources;
- our intention to pursue development opportunities and additional acquisitions and divestitures;
- the impact of regulation on our business and our ability to receive and maintain necessary approvals for our existing properties and future projects and operation of online sportsbook, poker and gaming;
- the impact of the Data Incident (as defined below) and any other future cybersecurity breaches on our business, financial conditions and results of operations;
- factors impacting our ability to successfully operate our digital betting and iGaming platform and expand its user base;

- our ability to adapt to the very competitive environments in which we operate, including the online market;
- the impact of economic downturns and other factors that impact consumer spending;
- the impact of win rates and liability management risks on our results of operations;
- our reliance on third parties for strategic relationships and essential services;
- costs associated with investments in our online offerings and technological and strategic initiatives;
- risk relating to fraud, theft and cheating;
- our ability to collect gaming receivables from our credit customers;
- the impact of our substantial indebtedness and significant financial commitments, including our obligations under our lease arrangements;
- restrictions and limitations in agreements governing our debt and leased properties could significantly affect our ability to operate our business and our liquidity;
- financial, operational, regulatory or other potential challenges that may arise as a result of leasing of a number of our properties;
- the effect of disruptions or corruption to our information technology and other systems and infrastructure;
- the ability to identify suitable acquisition opportunities and realize growth and cost synergies from any future acquisitions;
- the impact of governmental regulation on our business and the cost of complying or the impact of failing to comply with such regulations;
- changes in gaming taxes and fees in jurisdictions in which we operate;
- risks relating to pending claims or future claims that may be brought against us;
- changes in interest rates and capital and credit markets;
- the effect of seasonal fluctuations;
- our particular sensitivity to energy and water prices;
- deterioration in our reputation or the reputation of our brands;
- potential compromises of our information systems or unauthorized access to confidential information and customer data;
- our reliance on information technology, particularly for our digital business;
- our ability to protect our intellectual property rights;
- our reliance on licenses to use the intellectual property of third parties and our ability to renew or extend our existing licenses;
- the effect of war, terrorist activity, acts of violence, natural disasters, public health emergencies and other catastrophic events;

- increased scrutiny and changing expectations regarding our environmental, social and governance practices and reporting;
- our reliance on key personnel and the intense competition to attract and retain management and key employees in the gaming industry;
- work stoppages and other labor problems;
- our ability to retain performers and other entertainment offerings on acceptable terms; and
- other factors described in Item 1A. of our Annual Report on Form 10-K for the year ended December 31, 2022, the "*Risk Factors*" section contained herein and our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the Securities and Exchange Commission.

Many of these risks are beyond our management's ability to control or predict. Should one or more of these risks or uncertainties materialize, or should the assumptions prove incorrect, actual results may vary in material aspects from those currently anticipated. Investors are cautioned not to place undue reliance on such forward-looking statements as they speak only as of the date the statement is made. All forward-looking statements attributable to us, or persons acting on behalf of us, are expressly qualified in their entirety by the cautionary statements and risk factors contained in this Offering Memorandum and our respective filings with the SEC that are incorporated by reference herein. Forward-looking statements speak only as of the date they are made and are based only on information currently available to us.

Except as required under the federal securities laws or the rules and regulations of the SEC, we undertake no obligation to update or review any forward-looking statement or information, whether as a result of new information, future events or otherwise.

SUMMARY

The following summary highlights information contained elsewhere in, or incorporated by reference into, this Offering Memorandum. It does not contain all the information you need to consider in making your investment decision. Before making an investment decision, you should read this entire Offering Memorandum carefully, including information in our filings with the Securities and Exchange Commission (the "SEC"), incorporated by reference in this Offering Memorandum. You should carefully consider, among other things, the matters set forth under "Risk Factors" and our financial statements and related notes thereto incorporated by reference herein. This Offering Memorandum contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors. See "Cautionary Statement Regarding Forward-Looking Statements" for information relating to these forward-looking statements.

The Company

We are a geographically diversified gaming and hospitality company. We own, lease, brand or manage an aggregate of 53 domestic properties in 18 states with approximately 52,500 slot machines, video lottery terminals and e-tables, approximately 2,700 table games and approximately 46,900 hotel rooms as of September 30, 2023. We operate and conduct sports wagering across 30 jurisdictions in North America, 24 of which offer mobile sports betting, and operate regulated online real money gaming businesses in six jurisdictions in North America. In addition, we have other domestic and international properties that are authorized to use the brands and marks of Caesars Entertainment, Inc., as well as other non-gaming properties. Our primary source of revenue is generated by our casino properties' gaming operations, our retail and online sports betting, as well as online gaming, and we utilize our hotels, restaurants, bars, entertainment, racing, retail shops and other services to attract customers to our properties.

Our principal executive offices are located at 100 West Liberty Street, 12th Floor, Reno, Nevada 89501 and the telephone number at that location is (775) 328-0100. Our website is www.caesars.com. Information found on our website is not part of this Offering Memorandum. We were founded in 1973 and our common stock currently trades on NASDAQ under the symbol "CZR."

Recent Developments

Refinancing Transactions

Tender Offer and any 2025 Secured Notes Redemption

On January 18, 2024, we commenced a cash tender offer (the "Tender Offer") for any and all of our outstanding 2025 Secured Notes, pursuant to that certain offer to purchase, dated as of January 18, 2024 (the "Offer to Purchase") and the related notice of guaranteed delivery attached to the Offer to Purchase (the "Notice of Guaranteed Delivery" and, together with the Offer to Purchase, the "Tender Offer Documents"). Pursuant to the Tender Offer Documents, we will accept for purchase any and all of the 2025 Secured Notes that are validly tendered (and not withdrawn) or that deliver a properly completed and duly executed Notice of Guaranteed Delivery in connection with the Tender Offer. The Tender Offer will expire at 5:00 p.m. ET time on January 30, 2024 (the "Expiration Date"), unless extended or earlier terminated, with the settlement date currently expected to be no later than five business days after the Expiration Date (the "Settlement Date"), subject to all conditions to the Tender Offer as set forth in the Tender Offer Documents having been satisfied or waived, unless extended or otherwise determined by us. The Tender Offer is subject to the completion by us of one or more financing transactions (the "Financing Condition") and other conditions as set forth in the Tender Offer Documents, but this offering of the Notes and the CEI Term B-1 Loans are not conditioned on the successful completion of the Tender Offer. We cannot assure you that the Financing Condition and such other conditions will be satisfied or waived, that the Tender Offer will be completed or that any failure to complete the Tender Offer will not have a negative effect on the market price and liquidity of the Notes.

Provided that the conditions to the Tender Offer have been satisfied or waived, we will pay for the 2025 Secured Notes tendered and accepted in the Tender Offer, together with accrued and unpaid interest, on the Settlement Date.

We cannot assure you that the Tender Offer will be completed in accordance with its terms, or at all, or that any minimum amount of debt securities will be repurchased pursuant thereto. Nothing in this Offering Memorandum shall be construed as an offer to purchase, or an obligation to purchase, any of the 2025 Secured Notes that are subject to the Tender Offer. The Tender Offer is being made solely by means of the Offer to Purchase, and is being made only to the recipients of, and upon the terms and conditions set forth in, the Offer to Purchase. We may amend the Tender Offer in any respect, including waiving any condition to the Tender Offer (including, without limitation, the Financing Condition), subject to applicable law.

If, following the Expiration Date, the Tender Offer is not fully subscribed, then we intend to issue a notice of redemption to redeem all of the 2025 Secured Notes less the amount of 2025 Secured Notes tendered on or about July 1, 2024 at the redemption price, expressed as a percentage of principal amount, of 100.000% plus accrued and unpaid interest thereon to the redemption date; *provided*, *however*, in the event that at least 90% of the aggregate principal of the then outstanding 2025 Secured Notes are validly tendered (and not withdrawn) or that deliver a properly completed and duly executed Notice of Guaranteed Delivery in connection with the Tender Offer, then, pursuant to the 2025 Secured Indenture, the Company intends to redeem all of the 2025 Secured Notes that remain outstanding following the Tender Offer at a price equal to the price paid to each other holder in the Tender Offer, plus, to the extent not included in the tender offer payment, accrued and unpaid interest, if any, thereon, to, but excluding, the date of such redemption (the "2025 Secured Notes Redemption"). However, nothing in this Offering Memorandum constitutes a notice of redemption of the 2025 Secured Notes or an obligation to issue a notice of redemption of the 2025 Secured Notes.

Following the consummation of the Tender Offer and the 2025 Secured Notes Redemption (if any), we expect to have no 2025 Secured Notes outstanding. See "*Use of Proceeds*" and "*Capitalization*." To the extent we do not have sufficient funds available to tender, redeem, repurchase, defease or satisfy and discharge the 2025 Secured Notes in full, a portion of such indebtedness will remain outstanding. For the avoidance of doubt, for the purposes of this Offering Memorandum, we have assumed the full repayment of the 2025 Secured Notes pursuant to the Tender Offer and any 2025 Secured Notes Redemption. See "*Use of Proceeds*" and "*Capitalization*." We cannot assure you that the 2025 Secured Notes Redemption will be completed in accordance with its terms, or at all, or that any minimum amount of debt securities will be redeemed pursuant thereto.

CEI Credit Agreement Amendment

On January 18, 2024, we entered into an engagement letter (the "Engagement Letter") with certain financial institutions party thereto, including affiliates of the initial purchasers of this offering of the Notes, pursuant to which such financial institutions agreed to use commercially reasonable efforts to arrange and syndicate a senior secured term "B" loan facility in an aggregate principal amount of approximately $2.0 billion (the "CEI Term B-1 Facility" and the term "B" loans funded thereunder, "CEI Term B-1 Loans") to be provided to us as a new incremental term loan facility under the CEI Credit Agreement.

Substantially concurrently with the completion of this offering of the Notes, we expect to enter into an amendment to the CEI Credit Agreement (the "CEI Credit Agreement Amendment") as contemplated by the Engagement Letter. The CEI Credit Agreement Amendment is expected to, among other things, establish the CEI Term B-1 Facility.

Neither the completion of this offering of the Notes nor the effectiveness of the CEI Credit Agreement Amendment nor the incurrence of the CEI Term B-1 Loans thereunder is contingent on the completion of the other, so it is possible that this offering of the Notes occurs and the CEI Credit Agreement Amendment and the borrowing of the CEI Term B-1 Loans thereunder does not occur, and vice versa. We cannot assure you that the CEI Credit Agreement Amendment and the borrowing of the CEI Term B-1 Loans thereunder will be completed on the terms described herein or at all, or that any minimum amount of the outstanding the 2025 Secured Notes will be repurchased or redeemed in connection therewith. As the final terms and final size of the CEI Term B-1 Loans have not been finalized, the final terms and final amount of the CEI Term B-1 Loans may differ from those terms set forth herein and any such differences may be significant. See "*Description of Other Indebtedness*."

For purposes of this Offering Memorandum, (a) this offering of the Notes, (b) the effectiveness of the CEI Credit Agreement Amendment and the incurrence of the CEI Term B-1 Loans thereunder, (c) the consummation of the Tender Offer and the 2025 Secured Notes Redemption (if any) using the net proceeds from this offering and the

net proceeds of the CEI Term B-1 Loans, and (d) the payment of fees and expenses related to the foregoing are, collectively, referred to as the "Transactions."

Preliminary Operating Results for the Three Months Ended December 31, 2023

In a Current Report on Form 8-K filed on January 18, 2024 (the "January 8-K"), we provided a preliminary unaudited range of our expected operating results for the three months ended December 31, 2023 as compared to the same period ended December 31, 2022. These results are preliminary estimates only, based solely on currently available information and management estimates. We have not finalized our financial statement closing process for the three months ended December 31, 2023 or the fiscal year ended December 31, 2023. During this finalization process, we may identify items that would require us to make adjustments to the preliminary unaudited range of expected operating results described in the January 8-K. Our consolidated financial statements for the three months ended and the fiscal year ended December 31, 2023 will not be available until after this offering is completed, and consequently, will not be available to you prior to investing in the Notes. Our actual financial results could be different from those set forth in the January 8-K and any such differences could be material. Neither Deloitte & Touche LLP nor any other auditors have audited, reviewed, compiled or performed any procedures with respect to such preliminary financial data. Accordingly, Deloitte & Touche LLP nor any other auditor expresses an opinion or any other form of assurance with respect thereto.

The estimates included in the January 8-K represent the most current information available to management. The estimates for the three months ended December 31, 2023 are not necessarily indicative of any future period. As a result, the discussion in the January 8-K constitutes forward-looking statements and, therefore, we caution you that these statements are subject to risks and uncertainties, including possible adjustments and the risk factors highlighted under "*Risk Factors*" in this Offering Memorandum and in our other public filings incorporated by reference herein and the more detailed information included or referred to under the heading "*Cautionary Statement Regarding Forward-Looking Statements*" of this Offering Memorandum and the other information included in the documents incorporated or deemed incorporated by reference herein and therein.

THE OFFERING

The following is a brief summary of some of the terms of this offering of the Notes. For a more complete description of the terms see "Description of Notes" in this Offering Memorandum.

Issuer	Caesars Entertainment, Inc.
Notes Offered	$1,500,000,000 aggregate principal amount of % Senior Secured Notes due 2032.
Maturity Date	, 2032.
Interest	% per annum.
Interest Payment Dates	and of each year, commencing , 2024.
Denominations	The Notes will be issued on the issue date in global form in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof.
Guarantees	The Notes will be guaranteed on a senior secured basis by each existing and future wholly-owned domestic subsidiary of the Issuer that is a guarantor with respect to the CEI Credit Facilities (collectively, the "Subsidiary Guarantors"). Certain of the intended Subsidiary Guarantors that are gaming licensees or registered holding companies of gaming licensees under New Jersey gaming laws will not be required to become guarantors of the Notes unless and until such guarantees are approved by the New Jersey Division of Gaming Enforcement. See "*Risk Factors—Risks Relating to the Notes and Our Company's Indebtedness—Your right to receive payments on the Notes and the related guarantees is effectively subordinated to the extent that any other indebtedness is secured by assets of the Issuer and the Subsidiary Guarantors not constituting collateral*."
Collateral	The Notes will be secured by a first-priority (subject to certain permitted liens and certain exceptions) security interest in collateral in favor of the Collateral Agent for the benefit of the holders of the Notes, and will be pari passu obligations to the CEI Credit Facilities, the 2025 Secured Notes (prior to the consummation of the Tender Offer and the 2025 Secured Notes Redemption (if any)), the 2030 Secured Notes and other future first-priority lien obligations, if any, that may be issued in compliance with the terms of the Indenture. The liens securing the Notes will be held by the Collateral Agent, who also serves as collateral agent for the CEI Credit Facilities, the 2025 Secured Notes and the 2030 Secured Notes. The collateral securing the Notes will be substantially all of the property and assets of the Issuer and the Subsidiary Guarantors, now owned or hereafter acquired by the Issuer and any Subsidiary Guarantor, that secure the obligations under the CEI Credit Facilities, the 2025 Secured Notes (prior to the consummation of the Tender Offer and the 2025 Secured Notes Redemption (if any)), the 2030 Secured Notes and certain other first-priority lien obligations, if any, which will secure the Notes on a first-priority (subject to certain permitted liens and certain exceptions) basis, pari passu with the obligations under the CEI Credit Facilities, the 2025 Secured Notes (prior to the consummation of the Tender Offer and the 2025 Secured Notes Redemption (if any)), the 2030 Secured Notes and certain other first-priority lien obligations, if any. The pledges of the equity interests in and assets of certain of our subsidiaries that are gaming licensees or registered holding companies of gaming licensees under

Nevada and/or New Jersey gaming laws will not be effective unless and until such pledges are approved by the Nevada Gaming Control Board, the Nevada Gaming Commission and the New Jersey Division of Gaming Enforcement, as applicable. See "*Risk Factors—Risks Relating to the Notes and Our Company's Indebtedness—Not all security over the collateral will be in place on the date of issuance of the Notes*."

Ranking of the Notes ..... The Notes and guarantees of the Notes will be senior secured indebtedness of the Issuer and the Subsidiary Guarantors; rank equally in right of payment with all existing and future senior secured indebtedness of the Issuer and the Subsidiary Guarantors; rank senior in right of payment to all existing and future subordinated indebtedness of the Issuer and Subsidiary Guarantors; effectively rank senior in right of payment to all senior indebtedness of the Issuer and the Subsidiary Guarantors that is unsecured or that is secured by a lien ranking junior in priority to the liens securing the Notes and the guarantees thereof, in each case to the extent of the value of the assets securing the Notes and the guarantees thereof; rank equally to the Issuer's and the Subsidiary Guarantors' existing and future first priority lien obligations, including indebtedness under the CEI Credit Facilities, the 2025 Secured Notes (prior to the consummation of the Tender Offer and the 2025 Secured Notes Redemption (if any)), and the 2030 Secured Notes to the extent of the value of the assets securing the Notes; and be structurally subordinated in right of payment to all existing and future indebtedness and other liabilities (including trade payables) of the Issuer's subsidiaries that are not Subsidiary Guarantors, including indebtedness under the CRC Secured Notes (as defined below).

Substantially all of the operations of the Issuer are conducted through its subsidiaries. The Notes will be effectively subordinated to holders of indebtedness and other creditors (including trade creditors) and preferred stockholders (if any) of subsidiaries of the Issuer that are not Subsidiary Guarantors, including the CRC Secured Notes.

Intercreditor Agreements ..... The Notes Trustee, as authorized representative with respect to the Notes, will enter into a joinder to that certain First Lien Intercreditor Agreement, dated as of July 20, 2020 (as amended, supplemented or otherwise modified from time to time, the "First Lien Intercreditor Agreement"), among U.S. Bank National Association, as the collateral agent (in such capacity, the "Collateral Agent"), JPMorgan Chase Bank, N.A., as authorized representative with respect to the CEI Credit Facilities, U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as authorized representative with respect to the 2025 Secured Notes, U.S. Bank Trust Company, National Association, as authorized representative with respect to the 2030 Secured Notes, the Issuer and the other parties thereto, which will govern the relative priorities of their respective security interests in the collateral and certain other matters relating to the administration of such security interests. See "*Description of Notes—First Lien Intercreditor Agreement*."

If the Issuer or any Subsidiary Guarantor incurs indebtedness in the future that is secured by liens on the collateral that are junior to the liens that secure the Notes, the CEI Credit Facilities, the 2025 Secured Notes (prior to the consummation of the Tender Offer and the 2025 Secured Notes Redemption (if any)), and the 2030 Secured Notes, then, upon such incurrence, the Collateral Agent, the Notes Trustee, the administrative agent under the CEI Credit Facilities, the trustee under the 2025 Secured

	Notes (prior to the consummation of the Tender Offer and the 2025 Secured Notes Redemption (if any)), the trustee under the 2030 Secured Notes, the agent under such new indebtedness and the other parties thereto will enter into a junior lien intercreditor agreement (or a joinder thereto) as to the relative priorities of their respective security interests in the collateral and certain other matters relating to the administration of such security interests.
Optional Redemption	The Issuer may redeem the Notes, in whole or in part, at any time prior to , 2027, at a price equal to 100% of the principal amount of the Notes plus accrued and unpaid interest to, but excluding, the date of redemption and an applicable make-whole premium. Thereafter, the Notes may be redeemed at the option of the Issuer on the redemption dates and at the redemption prices specified under "*Description of Notes—Optional Redemption*."
Optional Redemption After Certain Equity Offerings	On or prior to , 2027, the Issuer may redeem up to 40% of the aggregate principal amount of the Notes with the net cash proceeds of one or more equity offerings at the redemption price specified under "*Description of Notes—Optional Redemption*."
Regulatory Redemption and Disposition	The Notes will be subject to redemption and disposition requirements imposed by gaming laws and regulations of the States of Nevada and Louisiana and other gaming authorities that have jurisdiction over our gaming activities or those of our partners or their respective parents or other affiliates. See "*Description of Notes—Mandatory Disposition Pursuant to Gaming Laws*."
Change of Control	Upon certain events defined as constituting a change of control, the Issuer may be required to make an offer to purchase the outstanding Notes at a purchase price equal to 101% of their principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the date of purchase. See "*Description of Notes—Change of Control*."
Certain Covenants	The Indenture, among other things, will contain covenants limiting the Issuer's ability and the ability of its restricted subsidiaries to: • incur additional debt or issue certain preferred shares; • pay dividends on or make distributions in respect of their capital stock or make other restricted payments; • make certain investments; • sell certain assets; • create liens on certain assets to secure debt; • consolidate, merge, sell or otherwise dispose of all or substantially all of their assets; • enter into certain transactions with their affiliates; and • designate their subsidiaries as unrestricted subsidiaries.

	Certain covenants will cease to apply to the Notes for so long as the Notes have investment grade ratings from any two of Moody's Investors Service, Inc., Standard & Poor's Ratings Group and Fitch Ratings, Inc. (collectively, the "Rating Agencies").
Transfer Restrictions; No Registration Rights	The issuance of the Notes have not been, and the Notes will not be, registered under the Securities Act or any state securities laws, and the Notes are subject to certain restrictions on transfer. See "*Transfer Restrictions*."
No Prior Market	The Notes will be new securities for which there is currently no market. Although certain of the initial purchasers have informed us that they intend to make a market in the Notes, they are not obligated to do so and may discontinue market-making at any time without notice. Accordingly, a liquid market for the Notes may not develop, or if such market is developed, that it will be maintained.
Use of Proceeds	We intend to use the net proceeds from this offering of Notes, together with the net proceeds of the CEI Term B-1 Loans, (x) to (a) tender, redeem, repurchase, defease or satisfy and discharge any and all of the 2025 Secured Notes pursuant to the Tender Offer and the 2025 Secured Notes Redemption (if any) and (b) pay fees and expenses in connection with the Transactions, and (y) if there are any remaining proceeds, for general corporate purposes, including, without limitation, to potentially repay certain outstanding indebtedness of the Issuer or any of its subsidiaries. See "*Use of Proceeds*" and "*Capitalization*." Certain of the initial purchasers and/or their respective affiliates may be holders of the 2025 Secured Notes that will be purchased as part of this offering, and, as a result of the contemplated use of proceeds from this offering of the Notes to finance the Tender Offer and the 2025 Secured Notes Redemption (if any), such initial purchasers and/or such respective affiliates, in their capacities as holders of the 2025 Secured Notes, may receive a portion of the proceeds from this offering of the Notes. See "*Plan of Distribution—Certain Relationships*."
Tax Consequences	For a discussion of certain United States federal income tax consequences of an investment in the Notes, see "*Certain U.S. Federal Income Tax Considerations*." You should consult your tax advisor to determine the United States federal, state, local or other tax consequences of an investment in the Notes specific to your particular circumstances.
Risk Factors	See "*Risk Factors*" and the other information included or incorporated by reference in this Offering Memorandum for a discussion of the factors you should carefully consider before deciding to invest in the Notes.

RISK FACTORS

Before you decide to invest in the Notes, you should be aware that investment in the Notes carries various risks, including those described below, that could have a material adverse effect on our business, financial position, results of operations and cash flows, which, in turn, could adversely affect our ability to pay interest or principal on the Notes or otherwise fulfill our obligations under the Indenture. We urge you to carefully consider these risk factors, together with all of the other information included or incorporated by reference in this Offering Memorandum, before you decide to invest in the Notes. You should carefully consider the risks described in the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022, and our Quarterly Reports on Form 10-Q for the three months ended March 31, 2023, the three and six months ended June 30, 2023, and the three and nine months ended September 30, 2023, each of which is incorporated herein by reference in its entirety.

Risks Relating to Operating Our Business

We face substantial competition and expect that such competition will continue.

The gaming industry is highly competitive and competition is intense in most of the markets in which we operate. We compete with a variety of gaming operations, including land-based casinos, dockside casinos, riverboat casinos, casinos located on racing tracks and casinos located on Native American reservations and other forms of legalized gaming such as video gaming terminals at bars, restaurants and truck stops and online gambling and sports betting. We also compete, to a lesser extent, with other forms of legalized gaming and entertainment such as bingo, pull tab games, card parlors, sportsbooks, fantasy sports websites, "cruise-to-nowhere" operations, pari-mutuel or telephonic betting on horse racing and dog racing, state-sponsored lotteries, jai-alai and, in the future, may compete with gaming at other venues. In addition, we compete more generally with other forms of entertainment for the discretionary spending of our customers. In some instances, particularly in the case of Native American casinos, our competitors pay lower taxes or no taxes.

In recent years, many casino and online gaming operators, including us, have reinvested in existing jurisdictions to attract new customers or to gain market share, thereby increasing competition in those jurisdictions. In particular, we and other online betting and gaming operators have undertaken extensive marketing campaigns and made significant investments in customer acquisition through pricing and promotional policies. In addition, in response to changing trends, Las Vegas operators have focused on expanding their non-gaming offerings, including upgrades to hotel rooms, new food and beverage offerings, and new entertainment offerings. The expansion of online betting and gaming in new jurisdictions and the growth of the number of competitors in the online betting and gaming market, the expansion of existing casino entertainment properties, the increase in the number of properties, and the aggressive marketing strategies of many of our competitors have increased competition in many markets in which we operate, and this intense competition is expected to continue. These competitive pressures have and are expected to continue to adversely affect our financial performance.

Our brick-and-mortar operations face increasing competition as a result of the expansion of legalized online gaming and betting, including our own online betting and gaming operations, in a number of the jurisdictions in which we operate. While we believe that we are well positioned to compete with new entrants to the betting and gaming market through our online betting and gaming offerings, the competitive dynamic is evolving and we cannot assure you that our results of operations will not be adversely impacted by the expansion of legalized online gaming and betting.

States that already have legalized casino gaming may further expand gaming, and other states that have not yet legalized gaming may do so in the future. We also compete with Native American gaming operations in California and other jurisdictions where Native American tribes operate large-scale gaming facilities or otherwise conduct gaming activities on Native American lands, which we expect will continue to expand. Further expansion of legalized casino gaming in jurisdictions in or near our markets or changes to gaming laws in states in which we have operations and in states near our operations could increase competition and could adversely affect our operations.

Increased competition may require us to make substantial expenditures in marketing, customer development and capital projects to maintain and enhance the competitive positions of our online and brick and mortar operations to increase the attractiveness and add to the appeal of our facilities and product offerings. Because a significant portion of our cash flow is required to pay obligations under our outstanding indebtedness and our lease obligations, there can

be no assurance that we will have sufficient funds to undertake, or that we will be able to obtain sufficient financing to fund, such expenditures. If we are unable to make such expenditures, our competitive position could be negatively affected.

Our business is sensitive to reductions in discretionary consumer spending as a result of downturns in the economy and other factors outside our control.

Consumer demand for casino hotel and racetrack properties and online betting and gaming is particularly sensitive to downturns in the economy and the associated impact on discretionary spending on leisure activities. Changes in discretionary consumer spending or consumer preferences brought about by factors such as perceived or actual general economic conditions, effects of declines in consumer confidence in the economy, the impact of high energy and food costs, rising interest rates, the increased cost of travel, decreased disposable consumer income and wealth, fears of war and future acts of terrorism, or widespread illnesses or epidemics, including COVID-19, can have a material adverse effect on leisure and business travel, discretionary spending and other areas of economic behavior that directly impact the gaming and entertainment industries in general and could further reduce customer demand for the amenities and products that we offer. In addition, increases in gasoline prices, including increases prompted by global political and economic instabilities, can adversely affect our casino operations because most of our patrons travel to our properties by car or on airlines that may pass on increases in fuel costs to passengers in the form of higher ticket prices.

Win rates (hold rates) for our casino operations depend on a variety of factors, some of which are beyond our control, and participation in the sports betting industry exposes us to trading, liability management and pricing risks. We may experience lower than expected profitability and potentially significant losses as a result of factors beyond our control or a failure to accurately determine odds.

The gaming industry is characterized by an element of chance. Accordingly, we employ theoretical win rates to estimate what a certain type of game, on average, will win or lose in the long run. In addition to the element of chance, win rates (hold percentages) are also affected by the spread of table limits and factors that are beyond our control, such as a player's skill, experience, and behavior, the mix of games played, the financial resources of players, the volume of bets placed, and the amount of time players spend gambling. As a result of the variability in these factors, the actual win rates at our casinos may differ from the theoretical win rates we have estimated and could result in the winnings of our gaming customers exceeding those anticipated. The variability of win rates (hold rates) also have the potential to negatively impact our financial condition, results of operations, and cash flows.

Our fixed-odds betting products involve betting where winnings are paid on the basis of the amounts wagered and the odds quoted. Odds are determined with the objective of providing an average return to the bookmaker over a large number of events. However, there can be significant variation in gross win percentage event-by-event and day-by-day. We have systems and controls that seek to reduce the risk of daily losses occurring on a gross-win basis, but there can be no assurance that these will be effective in reducing our exposure to this risk. As a result we may experience (and we have from time to time experienced) significant losses with respect to individual events or betting outcomes, in particular if large individual bets are placed on an event or betting outcome or series of events or betting outcomes. Any significant losses on a gross-win basis could have a material adverse effect on our business, financial condition and results of operations.

In addition, the odds that we offer in our sportsbook operations may occasionally contain an obvious error. Examples of such errors are inverted lines between teams, or odds that are significantly different from the true odds of the outcome in a way that all reasonable persons would agree is an error. If regulatory restrictions do not permit us to void or re-set odds to correct odds on bets associated with large obvious errors in odds making, we could be subject to covering significant liabilities.

We rely on third parties to provide services that are essential to the operation of our online betting and gaming business, including, player account management, geolocation and identity verification, payment processing and sports data.

We rely on third parties to provide services that are essential to the operation of our online betting and gaming business, including player account management, geolocation and identity verification systems to ensure we comply with laws and regulations, processing deposits and withdrawals made by our online users and providing information

regarding schedules, results, performance and outcomes of sporting events to determine when and how bets are settled. The software, systems and services provided by our third-party providers may not meet our expectations, contain errors or weaknesses, be compromised or experience outages. A failure of such third-party systems to perform effectively, or any service interruption to those systems, could adversely affect our business by preventing users from accessing our online platform, delaying payment or resulting in errors in settling bets, which could give rise to regulatory issues relating to the operation of our business. By way of example, incorrect or misleading geolocation and identity verification data with respect to current or potential users received from third-party service providers may result in us inadvertently allowing access to our offerings to individuals who are not permitted to access them or otherwise inadvertently denying access to individuals who are permitted to access them, and errors or failures by our payment processors and sports data providers could result in a failure to timely and accurately process payments to and from users or errors in settling bets. Any such errors or failures could result in violations of applicable regulatory requirements and adversely affect our reputation and our ability to attract and retain our online users. Furthermore, negative publicity related to any of our third-party partners could adversely affect our reputation and brand, and could potentially lead to increased regulatory or litigation exposure.

In addition, if any of our third-party services providers terminates its relationship with us, is unable to maintain necessary regulatory approvals, or refuses to renew its agreement with us on commercially reasonable terms, we would have to find alternate service providers. We cannot be certain that we would be able to secure favorable terms from alternative service providers that are critical to the operation of our business or enter into alternative arrangements in a timely manner. Our digital business, results of operations and prospects would be adversely impacted by our inability or delay in securing replacement services that are sufficient to support our online business or are on comparable terms.

The growth of our digital business will depend, in part, on the success of our strategic relationships with third parties.

We rely on relationships with sports leagues and teams, media companies and other third parties in order to attract users to our offerings. In 2019 we entered into an exclusive sports entertainment partnership with the NFL, making us the first ever "Official Casino Sponsor" in the history of the league. These relationships, along with providers of online services, search engines, social media, directories and other websites and e-commerce businesses direct consumers to our offerings. While we believe there are other third parties that could drive users to our online offerings, adding or transitioning to them may disrupt our business and increase our costs, and may require us to modify, limit or discontinue certain offerings. Furthermore, sports leagues, teams and venues may enter into exclusive partnerships with our competitors which could adversely affect our ability to offer certain types of wagers. In the event that any of our existing relationships or our future relationships fail to provide services to us in accordance with the terms of our arrangement, or at all, and we are not able to find suitable alternatives, our ability to cost effectively attract consumers could be impacted and our online betting and gaming business, financial condition, results of operations and prospects could be adversely affected.

The growth of our digital business will require investments in our online offerings, technology and strategic marketing initiatives, which could be costly and negatively impact the economics of our online business.

The online betting and gaming industry is subject to rapid and frequent changes in standards, technologies, products and service offerings, as well as in customer demands and preferences and regulations, which will require us to continually introduce and successfully implement new and innovative technologies, marketing strategies, product offerings and enhancements to remain competitive and effectively stimulate customer demand, acceptance and engagement. The process of developing new online offerings and systems is inherently complex and uncertain, and new offerings may not be well received by users, even if they are well-reviewed and of high quality. Developing new offerings and marketing strategies can also divert our management's attention from other business issues and opportunities. New online offerings that attain market acceptance and aggressive marketing strategies implemented in the competitive online market environment could impact the mix of our existing business, including our casino business, or the share of our patron's wallets in a manner that could negatively impact our results of operations. In addition, online betting and gaming operates in a competitive environment that requires significant investment in marketing initiatives, including free play and use of a variety of free and paid marketing channels, including television, radio, social media platforms, such as Facebook, Instagram, Twitter, and other digital channels. We cannot be sure that our investments in technology, products, service offerings and marketing initiatives will be successful or generate the return on investment that we expect. If new or existing competitors offer more attractive offerings or engage in

marketing initiatives that are better received by customers, we may lose users or users may decrease their spending on our offerings. Further, new customer demands, superior competitive offerings, new industry standards or changes in the regulatory environment could render our offerings unattractive, unmarketable or obsolete and require us to make substantial unanticipated changes to our technology or business model. Failure to adapt to a rapidly changing market or evolving customer demands, and costs required to be incurred to react to dynamic market conditions, could harm our business, financial condition, results of operations and prospects.

We face the risk of fraud, theft, and cheating.

We face the risk that gaming customers may attempt or commit fraud or theft or cheat in order to increase winnings. Such acts of fraud, theft, or cheating could involve the use of counterfeit chips or other tactics, possibly in collusion with our employees. Internal acts of cheating could also be conducted by employees through collusion with dealers, surveillance staff, floor managers, or other casino or gaming area staff. Additionally, we also face the risk that customers may attempt or commit fraud or theft with respect to our non-gaming offerings or against other customers. Such risks include stolen credit or charge cards or cash, falsified checks, theft of retail inventory and purchased goods, and unpaid or counterfeit receipts. Failure to discover such acts or schemes in a timely manner could result in losses in our operations. Negative publicity related to such acts or schemes could have an adverse effect on our reputation, potentially causing a material adverse effect on our business, financial condition, results of operations, and cash flows.

We extend credit to a portion of our customers, and we may not be able to collect gaming receivables from our credit customers.

We conduct our gaming activities on a credit and cash basis. Any such credit we extend is unsecured. High-stakes players typically are extended more credit than customers who tend to wager lower amounts. High-end gaming is more volatile than other forms of gaming, and variances in win-loss results attributable to high-end gaming may have a significant positive or negative impact on cash flow and earnings in a particular period. We extend credit to those customers whose level of play and financial resources warrant, in the opinion of management, an extension of credit. These large receivables could have a significant impact on our results of operations if deemed uncollectible. Gaming debts evidenced by a credit instrument, including what is commonly referred to as a "marker," and judgments on gaming debts are enforceable under the current laws of the jurisdictions in which we allow play on a credit basis, and judgments on gaming debts in such jurisdictions are enforceable in all U.S. states under the Full Faith and Credit Clause of the U.S. Constitution; however, other jurisdictions may determine that enforcement of gaming debts is against public policy. Although courts of some foreign nations will enforce gaming debts directly and the assets in the U.S. of foreign debtors may be reached to satisfy a judgment, judgments on gaming debts from U.S. courts are not binding on the courts of many foreign nations.

In addition, the Chinese government has taken steps to prohibit the transfer of cash for the payment of gaming debts. These developments may have the effect of reducing the collectability of gaming debts of players from China. It is unclear whether these and other measures will continue to be in effect or become more restrictive in the future. These and any future foreign currency control policy developments that may be implemented by foreign jurisdictions could significantly impact our business, financial condition and results of operations.

The outbreak of pandemics and other public health matters and related impacts have had, and may continue to have, a significant impact on our operations and results of operations.

Public health issues and mitigation measures recommended or required by public health officials have had a material adverse effect on our operations. All of our casino properties were temporarily closed for several weeks during 2020 due to orders issued by various government agencies and tribal bodies. Following re-opening of our properties, our operations were affected by social distancing measures, including reduced gaming operations, limitations on number of customers present in our facilities, restrictions on hotel, food and beverage outlets and limits on events that would otherwise attract customers to our properties. While restrictions on our operations were eased in 2021 and we experienced positive operating trends, we continue to see prolonged impacts on the economy, our industry and our business, with increased challenges arising from labor shortages, supply chain challenges, increasing costs of goods and services, inflation and rising interest rates, among other impacts. The extent and duration of the impact of such measures on our business is difficult to predict and such impacts may intensify.

Acts of terrorism, war, natural disasters, severe weather, and political, economic and military conditions may impede our ability to operate or may negatively impact our financial results.

Terrorist attacks and other acts of war or hostility have created many economic and political uncertainties. For example, a substantial number of the customers of our properties in Las Vegas use air travel. As a result of terrorist acts that occurred on September 11, 2001, domestic and international travel was severely disrupted, which resulted in a decrease in customer visits to our properties in Las Vegas. Visitation to Las Vegas also declined for a period of time following the mass shooting tragedy on October 1, 2017. We cannot predict the extent to which disruptions in air or other forms of travel as a result of any further terrorist act, security alerts or war, uprisings, or hostilities in places such as Iraq, Afghanistan, Israel, Ukraine, and/or Syria or other countries throughout the world, and governmental responses to those acts or hostilities, will directly or indirectly impact our business and operating results. For example, a third party that is responsible for our player account management has employees located internationally in countries impacted by such hostility and further negative developments in such countries could negatively impact our digital business. As a consequence of the threat of terrorist attacks and other acts of war or hostility in the future, premiums for a variety of insurance products have increased, and some types of insurance are no longer available. If any such event were to affect our properties, we would likely be adversely affected.

In addition, natural and man-made disasters such as major fires, floods, severe snowstorms, hurricanes, earthquakes, and oil spills could also adversely impact our business and operating results. Such events could lead to the loss of use of one or more of our properties for an extended period of time and disrupt our ability to attract customers to certain of our gaming facilities. For example, our property in Lake Charles, Louisiana was closed in August 2020 until December 2022 due to damage resulting from Hurricane Laura. Inadequate insurance or lack of available insurance for these and other certain types or levels of risk could expose us to significant losses in the event that a catastrophe occurred for which we are underinsured. In most cases, we have insurance that covers portions of any losses from a natural disaster, but it is subject to deductibles and maximum payouts in many cases. Although we may be covered by insurance from a natural disaster, the timing of our receipt of insurance proceeds, if any, may be out of our control. In some cases, however, we may receive no proceeds from insurance. Further, if properties subject to our leases with VICI Properties L.P. ("VICI") and Gaming and Leisure Properties, Inc. ("GLPI") are impacted by a casualty event, such leases require us to repair or restore the affected properties even if the cost of such repair or restoration exceeds the insurance proceeds that we receive. Under such circumstances, the rent under such leases is required to be paid during the period of repair or restoration even if all or a portion of the affected property is not operating. In addition to the damage caused to our properties by a casualty loss, we may suffer business disruption as a result of the casualty event or be subject to claims by third parties that may be injured or harmed. While we carry general liability insurance and business interruption insurance, there can be no assurance that insurance will be available or adequate to cover all loss and damage to which our business or our assets might be subjected and the timing and receipt of insurance proceeds, if any, may be out of our control.

Increased scrutiny and changing expectations from investors, consumers, employees, regulators, and others regarding our environmental, social and governance practices and reporting could cause us to incur additional costs, devote additional resources and expose us to additional risks, which could adversely impact our reputation, customer attraction and retention, access to capital and employee recruitment and retention.

Increased scrutiny and changing expectations from investors, consumers, employees, regulators, and others regarding our environmental, social and governance practices and reporting could cause us to incur additional costs, devote additional resources and expose us to additional risks, which could adversely impact our reputation, customer attraction and retention, access to capital and employee recruitment and retention.

Companies across all industries are facing increasing scrutiny related to their environmental, social and governance ("ESG") practices and reporting. Investors, consumers, employees and other stakeholders have focused increasingly on ESG practices and placed increasing importance on the implications and social cost of their investments, purchases and other interactions with companies. With this increased focus, public reporting regarding ESG practices is becoming more broadly expected. If our ESG practices and reporting do not meet investor, consumer or employee expectations, which continue to evolve, our brand, reputation and customer retention may be negatively impacted.

Our ability to achieve any ESG objective is subject to numerous risks, many of which are outside of our control. Examples of such risks include:

- the availability and cost of low- or non-carbon-based energy sources;
- the evolving regulatory requirements affecting ESG standards or disclosures;
- the availability of suppliers that can meet sustainability, diversity and other ESG standards that we may set;
- our ability to recruit, develop and retain diverse talent in our labor markets; and
- the success of our organic growth and acquisitions or dispositions of businesses or operations.

If we fail, or are perceived to be failing, to meet the standards included in any sustainability disclosure or the expectations of our various stakeholders, it could negatively impact our reputation, customer attraction and retention, access to capital and employee retention. In addition, new sustainability rules and regulations have been adopted and may continue to be introduced. Our failure to comply with any applicable rules or regulations could lead to penalties and adversely impact our reputation, customer attraction and retention, access to capital and employee retention.

Our business may be subject to fluctuations due to seasonality and other factors that could result in volatility and have an adverse effect on our operating results.

Our business may fluctuate due to seasonality and other factors. Our casino business is impacted by weather conditions that may deter or prevent customers from reaching the facilities or undertaking trips, which would particularly affect customers who are traveling longer distances to visit our properties. Our casino business can also fluctuate due to specific holidays or other significant events, particularly when the holiday falls in a different quarter than the prior year, the World Series of Poker tournament (with respect to our Las Vegas properties), city-wide conventions, a large sporting event or a concert, or visits by our premium players. Our sportsbook business may also be impacted by availability or scheduling of major sporting events or the cancellation or postponement of sporting events or races, including lockouts, strikes or similar disruptions. Seasonality, holiday, or other significant events may affect our digital operations, properties or regions differently. These factors, among other things, could adversely affect our business, financial condition, and operating results, cause volatility in the trading price of our stock and impact our cash flow from quarter to quarter.

Our business is particularly sensitive to energy or water prices and a rise in energy prices could harm our operating results.

We are a large consumer of electricity and other energy and, therefore, higher energy prices may have an adverse effect on our results of operations. Accordingly, increases in energy costs may have a negative impact on our operating results. Additionally, higher electricity and gasoline prices that affect our customers may result in reduced visitation to our resorts and a reduction in our revenues. Further, our operations or the operations of our critical supplies could be negatively impacted by the duration of drought conditions, or other cause of water stress or shortages, such as those experienced in the southwest United States, or other areas in which we operate. We may be indirectly impacted by regulatory requirements aimed at reducing the impacts of climate change directed at up-stream utility providers, as we could experience potentially higher utility, fuel, and transportation costs.

Any deterioration in our reputation or the reputation of our brands could adversely impact our business, financial condition, or results of operations.

Our business is dependent on the quality and reputation of our Company and brands. Events beyond our control could affect the reputation of one or more of our properties, including our digital operations, or more generally impact our corporate or brand image. Other factors that could influence our reputation include the quality of the services we offer and our actions with regard to social issues such as diversity, human rights and support for local communities. Broad access to social media makes it easy for anyone to provide public feedback that can influence perceptions of us, our brands or our properties. It may be difficult to control or effectively manage negative publicity, regardless of whether it is accurate. Negative events and publicity could quickly and materially damage perceptions

of us, our brands or our properties, which, in turn, could adversely impact our business, financial condition or results of operations through loss of customers, loss of business opportunities, lack of acceptance of our Company to operate in host communities, employee retention or recruiting difficulties or other difficulties.

Risks Relating to Information Systems and Technology

Compromises of our information systems or unauthorized access to confidential information or our customers' personal information could materially harm our reputation and business.

We collect and store confidential, personal information relating to our customers for various business purposes, including marketing and financial purposes, and credit card information for processing payments. For example, we handle, collect and store personal information in connection with our customers staying at our hotels and enrolling in Caesars Rewards. We may share this personal and confidential information with vendors or other third parties in connection with processing of transactions, operating certain aspects of our business, or for marketing purposes. Our collection and use of personal data are governed by state and federal privacy laws and regulations as well as the applicable laws and regulations in other countries in which we operate. Privacy law is subject to frequent changes and varies significantly by jurisdiction. We may incur significant costs in order to ensure compliance with the various applicable privacy requirements. In addition, privacy laws and regulations may limit our ability to market to our customers.

We assess and monitor the security of collection, storage, and transmission of customer information on an ongoing basis, including utilizing commercially available software and technologies to monitor, assess and secure our network. Further, some of the systems currently used for transmission and approval of payment card transactions and the technology utilized in payment cards themselves, all of which can put payment card data at risk, are determined and controlled by the payment card industry, and other such systems are determined and controlled by us. Although we had taken steps designed to safeguard our customers' confidential personal information and important internal company data, on September 14, 2023, we announced that we identified suspicious activity in our information technology network resulting from a social engineering attack on one of our outsourced IT support vendors and that we determined that the unauthorized actor acquired a copy of, among other data, our loyalty program database, which includes driver's license numbers and/or social security numbers for a significant number of members in the database (the "Data Incident"). We took steps to ensure that the stolen data was deleted by the unauthorized actor and we believe we have taken appropriate steps, working with industry-leading third-party IT advisors, to harden our systems and implement corrective measures to protect against future attacks that could pose a threat to our systems. We have also taken steps to ensure that the specific outsourced IT support vendor involved in this matter has implemented corrective measures to protect against future attacks that could pose a threat to our systems. While we took these actions, we cannot assure that the stolen data was deleted by the unauthorized actor or that our network and other systems and those of third parties, such as service providers, will not be compromised, damaged, or disrupted by a third-party breach of our system security or that of a third-party provider or as a result of purposeful or accidental actions of third parties, our employees, or those employees of a third party, power outages, computer viruses, system failures, natural disasters, or other catastrophic events in the future.

Our third-party information system service providers face risks relating to cybersecurity similar to ours, and we do not directly control any of such parties' information security operations. As an example, the Data Incident arose from a social engineering attack on one of our outsourced IT vendors. Advances in computer and software capabilities, encryption technology, new tools, and other developments may increase the risk of a future security breach. As a result of the Data Incident, customer information and other data was accessed by an unauthorized actor. Any future security breach, may also result in customer information or other proprietary data being accessed or transmitted by or to a third party. Despite the measures we have implemented to safeguard our information, including actions taken following the Data Incident, there can be no assurance that we are adequately protecting our information.

As a result of the Data Incident, we have become subject to multiple lawsuits and inquiries from state regulators and we may become subject to additional lawsuits, claims and inquiries related to the Data Incident. While the Data Incident did not impact our customer-facing operations, we are unable to predict the full impact of the Data Incident, including any regulatory effects or changes in guest behavior in the future, including whether a change in our guests' behavior could negatively impact our financial condition and results of operations on an ongoing basis.

We have cybersecurity insurance to respond to a breach which is designed to cover expenses associated with a cybersecurity incident, including costs related to notification, credit monitoring, investigation, crisis management, public relations and legal advice. We also carry other insurance which may cover ancillary aspects of cybersecurity events. While we have submitted claims for insurance coverage relating to the costs incurred as a result of the Data Incident, we are not certain of the extent to which such coverage or third-party indemnification will cover such costs.

Any future data security breaches giving rise to a loss, disclosure of, misappropriation of, or access to customers' or other proprietary information or other breach of our information security could result in additional legal claims or legal proceedings, including regulatory investigations and actions, or liability for failure to comply with privacy and information security laws, including for failure to protect personal information or for misusing personal information could damage our reputation, and expose us to additional claims from customers, financial institutions, regulators, payment card associations, employees, and other persons, any of which could have an adverse effect on our financial condition, results of operations, and cash flow.

Any such damages and claims arising from a future breach may not be completely covered or may exceed the amount of any insurance available.

Our operations, and particularly our digital betting and gaming operations, are reliant on information technology and other systems and services, and any failures, errors, defects or disruptions in our systems or services could adversely affect our operations.

Our technology infrastructure is critical to the performance of our digital betting and gaming operations and to user satisfaction and we rely significantly on our computer systems and software to receive and properly process internal and external data, including data related to Caesars Rewards. We devote significant resources to our technology infrastructure, but our systems may not be adequate to avoid performance delays or outages that could be harmful to our online business. In addition, while we believe we have taken appropriate steps, working with industry-leading third-party IT advisors, to harden our systems following the Data Incident and implement corrective measures to protect against future attacks that could pose a threat to our systems. We cannot assure you that such measures or any additional measures we take to prevent cyber-attacks and protect our systems, data and user information and to prevent outages, data or information loss, fraud and to prevent or detect security breaches will be sufficient to ensure uninterrupted operation of our digital platform and provide absolute security. We have experienced, and we may in the future experience, website disruptions, outages and other performance problems due to a variety of factors, including infrastructure changes, human or software errors and capacity constraints. Disruptions from unauthorized access to, fraudulent manipulation of, or tampering with our computer systems and technological infrastructure, or those of third parties that provide support to our operations, could result in a wide range of negative outcomes, each of which could materially adversely affect the operation of our online business and our financial condition, results of operations and prospects.

Additionally, our computer systems and software may fail or may contain errors, bugs, flaws or corrupted data, and these defects may only become apparent after the launch of our online products. These types of issues could disrupt our operations or render a product unavailable when users attempt to access it or cause access to our offerings to be slower than our users expect. Inaccessibility or slow access to our products could make users less likely to return to our digital platform as often, if at all, or to recommend our offerings to other potential users, which could harm our brand perception, cause our users to stop utilizing our online offerings, divert our resources and delay market acceptance of our online offerings.

Our information systems are not fully redundant and our disaster recovery planning cannot account for all eventualities. If our systems are damaged, breached, attacked, interrupted, or otherwise cease to function properly, we may have to make a significant investment to repair or replace them, and may experience loss or corruption of critical data as well as suffer interruptions in our business operations in the interim.

We expect that we will continue to expand our online betting and gaming offerings as our user base grows and we enter into new markets, which will require an enhancement of our technical infrastructure, including network capacity and computing power, and may require additional reliance on third party providers to support the growth of our digital business and to satisfy our users' needs. Such infrastructure expansion may be complex and costly, and unanticipated delays in completing these projects or availability of components may lead to increased project costs,

operational inefficiencies, or interruptions in the delivery or degradation of the quality of our offerings. In addition, there may be issues related to our online infrastructure that are not identified during the testing phases of design and implementation and become evident after we have started to fully use the underlying equipment or software, which could impact the user experience or increase our costs. An inability to effectively scale our technical infrastructure to accommodate increased demands could adversely impact our ability to grow our digital betting and gaming business.

Our online business is dependent on the Internet and we rely on Amazon Web Services and other third-party technology, platforms and services to deliver our offerings to users.

A substantial portion of the infrastructure that is required to enable users to access our digital betting and gaming offerings is provided by third parties, including Internet service providers and other technology-based service providers. In particular, we currently host our online betting and gaming offerings and support our operations using Amazon Web Services ("AWS") and other third-party technology, platforms and services. Our third-party providers may experience service interruptions, delays, outages or damage, including due to capacity constraints, an event causing an unusually high volume of Internet use (such as a pandemic or public health emergency), infrastructure changes or upgrades (such as 5G or 6G services), human or software errors, website hosting disruptions, natural disasters, cybersecurity attacks, terrorist attacks, power outages and similar events or acts of misconduct. We exercise little control over our third-party providers and any difficulties that these providers experience, including the potential of certain network traffic receiving priority over other traffic (i.e., lack of net neutrality), may adversely affect our business. Because our ability to provide our users with continuing and uninterrupted access to our platform is critical to the success of our digital business, we use our best efforts to ensure that our facilities and infrastructure and the facilities and infrastructure of our third-party providers support our current and expected operations and are designed to mitigate the impacts of system malfunctions. Nevertheless, there can be no guarantee that such systems will be able to meet the demand of our current and future digital business, the overall online betting and gaming industry and the growth of the Internet. Furthermore, if we do not maintain business relationships with our third-party providers, and in particular, AWS, we may not be able to secure required third-party services on terms that are acceptable to us or on an acceptable time frame. Any of these risks could result in a loss of revenue and cause us to incur unexpected costs that could be significant, which could have a material adverse effect on our online business, financial condition, results of operations and prospects.

Our online business model depends upon the continued compatibility between our apps and the major mobile operating systems and upon third-party platforms for the distribution of our product offerings, which depend on factors beyond our control such as the design of third-party operating systems and continued access to our apps on third-party distribution platforms like the Apple App Store.

Our digital business is dependent on the interoperability of our technology with popular mobile operating systems, technologies, networks and standards as our users access our online betting and gaming product offerings primarily on mobile devices. As a result, our business model depends upon the continued compatibility between our app and the major mobile operating systems, such as the Android and iOS operating systems, and we rely upon third-party platforms for distribution of our product offerings. We do not have formal or informal relationships with parties that control design of mobile devices and operating systems and there is no guarantee that popular mobile devices will start or continue to support or feature our product offerings. Any changes, bugs, technical or regulatory issues in such operating systems, our relationships with mobile manufacturers and carriers, or in their terms of service or policies that degrade our offerings' functionality, reduce or eliminate our ability to distribute our offerings, give preferential treatment to competitive products, limit our ability to deliver high quality offerings, or impose fees or other charges related to delivering our offerings, could adversely affect our product usage and monetization on mobile devices. In addition, if any of the third-party platforms used for distribution of our product offerings were to limit or disable the availability of our app or advertising on their platforms, our ability to generate revenue could be harmed. These changes could materially impact the way we do business, and if we are unable to adjust to those changes quickly and effectively, there could be an adverse effect on our business, financial condition, results of operations and prospects.

Risks Related to Human Capital

We rely on our key personnel and we may face difficulties in attracting and retaining qualified employees for our casinos and race tracks.

Our future success will depend upon, among other things, our ability to keep our senior executives and highly qualified employees. The operation of our business requires qualified executives, managers and skilled employees with gaming and horse racing industry experience and qualifications who are able to obtain the requisite licenses and approval from the applicable gaming authorities. We compete with other potential employers for employees, and we may not succeed in hiring or retaining the executives and other employees that we need. A sudden loss of or inability to replace key employees could have a material adverse effect on our business, financial condition and results of operations. Moreover, there has from time to time been a shortage of skilled labor in our markets and the continued expansion of gaming near our facilities, including the expansion of Native American gaming and internet betting and gaming, may make it more difficult for us to attract qualified candidates. While we believe that we will continue to be able to attract and retain qualified employees, shortages of skilled labor will make it increasingly difficult and expensive to attract and retain the services of a satisfactory number of qualified employees, and we may incur higher costs than expected as a result.

Work stoppages and other labor problems could negatively impact our future profits.

As of December 31, 2022, we had collective bargaining agreements covering approximately 21,000 employees. A lengthy strike or other work stoppages at any of our casino properties could have an adverse effect on our business and results of operations.

From time to time, we have also experienced attempts by labor organizations to organize certain of our non-union employees, which has achieved some past success. We cannot provide any assurance that we will not experience additional and successful union activity in the future. The impact of this union activity is undetermined and could negatively impact our results of operations.

We cannot assure you that we will be able to retain our performers and other entertainment offerings on acceptable terms or at all.

Historically, our performers have drawn customers to our properties and have been a significant source of our revenue. We cannot assure you that we will be able to retain our performers or other shows on acceptable terms or at all. In addition, the third parties that we depend on for our properties' entertainment offerings may become incapable or unwilling to provide their services at the level agreed upon or at all. Disruptions in the performance schedule can leave us without entertainment offerings, which could negatively impact our business.

Risks Relating to Our Capital Structure

Our substantial indebtedness and the fact that a significant portion of our cash flow is used to make interest payments and rent payments under our debt and lease agreements could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry and prevent us from making debt service payments and rent payments.

As of September 30, 2023, on an actual basis, we had $12.5 billion of outstanding face value indebtedness, in addition to leases with VICI and GLPI that required an annual rent payment of $1.3 billion in 2023 and are subject to annual escalation, including annual escalations based on the Consumer Price Index. See Note 10 of our Annual Report on Form 10-K for the year ended December 31, 2022 for a description of our obligations under our leases with VICI and GLPI and Note 12 of our Annual Report on Form 10-K for the year ended December 31, 2022 for details regarding our debt outstanding and related restrictive covenants. As of September 30, 2023, after giving effect to the Transactions, we had (a) $12.6 billion of outstanding face value indebtedness, which reflects (i) the incurrence of $1.5 billion of the Notes and $2.0 billion of the CEI Term B-1 Loans under the CEI Credit Agreement (including the CEI Credit Agreement Amendment) and (ii) the consummation of the Tender Offer and the 2025 Secured Notes Redemption (if any) and (b) no outstanding borrowings under the CEI Revolving Credit Facility, with $2.1 billion of additional borrowing capacity thereunder, after consideration of $71 million in outstanding letters of credit, $46 million committed for regulatory purposes, and $40 million of other reserves which is only available for certain permitted uses. See "*Capitalization*" and "*Description of Other Indebtedness*." As a result, a significant portion of our cash flow is applied to make interest payments with respect to our outstanding debt and payments under our leases. These financial obligations may have important negative consequences for us, including:

- limiting our ability to use operating cash flow in other areas of our business because we must dedicate a significant portion of these funds to make payments on our debt and lease obligations;

- limiting our flexibility in planning for, or reacting to, changes in our businesses and the markets in which we operate;

- placing us at a competitive disadvantage compared to competitors with debt and rent obligations that are less than ours;

- increasing our vulnerability to, and limiting our ability to react to, changing market conditions, public health emergencies and related public heath restrictions, changes in our industry and economic downturns;

- limiting our ability to obtain additional financing to fund working capital requirements, capital expenditures, debt service, acquisitions, general corporate or other obligations;

- subjecting us to a number of restrictive covenants that, among other things, require us to make capital expenditures and limit our ability to pay dividends and distributions, make acquisitions and dispositions, borrow additional funds and make other investments;

- exposing us to interest rate risk due to the variable interest rate on borrowings under our credit facilities; and

- affecting our ability to renew gaming and other licenses necessary to conduct our business.

Despite our current indebtedness levels, we and our subsidiaries may still incur significant additional indebtedness. Incurring more indebtedness could increase the risks associated with our substantial indebtedness.

We and our subsidiaries may be able to incur substantial additional indebtedness, including additional secured indebtedness, and may enter into financing obligations similar to our leases with VICI and GLPI in the future. As of September 30, 2023, we had no outstanding borrowings under the CEI Revolving Credit Facility, with $2.1 billion of borrowing capacity thereunder, after consideration of $71 million in outstanding letters of credit, $46 million committed for regulatory purposes, and $40 million of other reserves which is only available for certain permitted uses. Further, our existing debt agreements currently permit, and we expect that agreements governing debt that we incur in the future will permit, us to incur certain other additional secured and unsecured debt. Further, we may incur other liabilities that do not constitute indebtedness. The risks that we face based on our outstanding indebtedness may intensify if we incur additional indebtedness or financing obligations in the future.

Our variable rate indebtedness exposes us to interest rate volatility, which could cause our debt service obligations to increase significantly.

Borrowings under certain of our facilities are at variable rates of interest and expose us to interest rate volatility. If interest rates increase, our debt service obligations on certain of our variable rate indebtedness will increase even though the amount borrowed remains the same.

A significant portion of our casinos are located on leased property. If we default on one or more leases, the applicable lessors could terminate the affected leases and we could lose possession of the affected casino.

We currently lease certain parcels of land on which a significant portion of our properties are located. As a ground lessee, we have the right to use the leased land; however, we do not hold fee ownership of the underlying land. Accordingly, we have no interest in the leased land or improvements thereon at the expiration of the ground leases. If our use of the land underlying our casino properties is disrupted permanently or for a significant period of time, then the value of our assets could be impaired and our business and operations could be adversely affected. Our leases provide that they may be terminated for a number of reasons, including failure to pay rent, taxes or other payment obligations or the breach of other covenants contained in the leases. In particular, our leases with VICI and GLPI required annual rent payments of $1.3 billion in 2023, which is subject to escalation annually and obligate us to make specified minimum capital expenditures with respect to the leased properties. If our business and properties fail to

generate sufficient earnings, the payments required to service the rent obligations under our leases with VICI and GLPI could materially and adversely limit our ability to react to changes in our business and make acquisitions and investments in our properties. If we were to default on any one or more of these leases, the applicable lessors could terminate the affected leases and we could lose possession of the affected land and any improvements on the land, including the hotels and casinos. A termination of our ground leases or our leases with GLPI or VICI could result in a default under our debt agreements and could have a material adverse effect on our business, financial condition and results of operations. Further, in the event that any lessor of our leased properties, including GLPI or VICI, encounters financial, operational, regulatory or other challenges, there can be no assurance that such lessor will be able to comply with its obligations under the applicable lease.

Certain of our leases, including our leases with VICI and GLPI, are "triple-net" leases. Accordingly, in addition to rent, we are required to pay, among other things, the following: (1) lease payments to the underlying ground lessor for properties that are subject to ground leases; (2) facility maintenance costs; (3) all insurance premiums for insurance with respect to the leased properties and the business conducted on the leased properties; (4) taxes levied on or with respect to the leased properties (other than taxes on the income of the lessor); and (5) all utilities and other services necessary or appropriate for the leased properties and the business conducted on the leased properties. We are responsible for incurring the costs described in the preceding sentence notwithstanding the fact that many of the benefits received in exchange for such costs shall in part accrue to the lessor as the owner of the associated facilities. In addition, we remain obligated for lease payments and other obligations under our leases with VICI and GLPI and other ground leases even if one or more of such leased facilities is unprofitable or if we decide to withdraw from those locations. We could incur special charges relating to the closing of such facilities including lease termination costs, impairment charges and other special charges that would reduce our net income and could have a material adverse effect on our business, financial condition and results of operations.

Legal and Regulatory Risks

We are subject to extensive governmental regulation, taxation policies and licensing, and gaming authorities have significant control over our operations, which could have an adverse effect on our business.

Licensing Requirements. The ownership and operation of casino gaming, online betting and gaming, riverboat and horse racing facilities are subject to extensive federal, state and local regulation, and regulatory authorities at local, state and national levels have broad powers with respect to the licensing of gaming businesses. We currently hold all state and local licenses and related approvals necessary to conduct our present gaming operations, but we must periodically apply to renew many of our licenses and registrations. We cannot assure you that we will be able to obtain such renewals. Any failure to maintain or renew our existing licenses, registrations, permits or approvals would have a material adverse effect on us. In addition, we are required to provide information relating to our operations to various gaming regulatory agencies. A failure to provide accurate information could result in the imposition of fines or other penalties by the relevant regulatory authority. Furthermore, if additional laws or regulations are adopted or existing laws or regulations are amended or interpreted differently, these regulations could impose additional restrictions or costs that could have a significant adverse effect on us.

Gaming authorities with jurisdiction over our operations may, in their discretion, require the holder of any securities issued by us to file applications, be investigated, and be found suitable to own our securities, and, if a holder is found unsuitable, we can be sanctioned, including the loss of approvals that are required for us to continue our gaming operations in the relevant jurisdictions, if such unsuitable person does not timely sell our securities. Our officers, directors and key employees are also subject to similar findings of unsuitability and the gaming authorities may require us to terminate the employment of any person who refuses to file appropriate applications. See "Item 1 - Gaming Licenses and Governmental Regulations" and Exhibit 99.1 of our Annual Report on Form 10-K for the year ended December 31, 2022 for further description of the regulations to which we are subject. We may be required under applicable gaming laws and regulations to obtain approval of applicable gaming authorities to issue securities, incur debt and undertake other financing activities and our financing counterparties, including lenders, might be subject to various licensing and related approval procedures in the various jurisdictions in which we operate gaming facilities.

Compliance with Other Laws. We are also subject to a variety of other federal, state and local laws, rules, regulations and ordinances that apply to non-gaming businesses, including public health restrictions, zoning, environmental, construction and land-use laws and regulations governing smoking and the serving of alcoholic

beverages. Our operations have been adversely impacted by regulations enacted to limit the spread of viruses. In addition, legislation in various forms to ban indoor tobacco smoking has been enacted or introduced in many states and local jurisdictions, including several of the jurisdictions in which we operate. If additional restrictions are enacted in our jurisdictions, we could experience a significant decrease in gaming revenue and operating results at our properties and, particularly if such restrictions are not applicable to all competitive facilities in that gaming market, our business could be materially adversely affected. The likelihood or outcome of similar legislation in other jurisdictions and referendums in the future cannot be predicted, though any additional limitations on our operations would be expected to negatively impact our financial performance.

Regulations adopted by FINCEN require us to report currency transactions in excess of $10,000 occurring within a gaming day. U.S. Treasury Department regulations also require us to report certain suspicious activity, including any transaction that exceeds $5,000, if we know, suspect or have reason to believe that the transaction involves funds from illegal activity or is designed to evade federal regulations or reporting requirements. Substantial penalties can be imposed if we fail to comply with these regulations. FINCEN has recently increased its focus on gaming companies.

We are required to report certain customer's gambling winnings via Form W-2G to comply with current Internal Revenue Service regulations. Should these regulations change, we would expect to incur additional costs to comply with the revised reporting requirements.

Taxation and Fees. In addition, gaming companies are generally subject to significant revenue-based taxes and fees in addition to normal federal, state and local income taxes, and such taxes and fees are subject to increase at any time. We pay substantial taxes and fees with respect to our operations. Tax laws are dynamic and subject to change as new laws are passed and new interpretations of the law are issued or applied, affecting the gaming industry. The large number of state and local governments with significant current or projected budget deficits makes it more likely that those governments that currently permit gaming will seek to fund such deficits with new or increased gaming taxes and/or property taxes and worsening economic conditions could intensify those efforts. Any material increase, or the adoption of additional taxes or fees, could have a material adverse effect on our future financial results.

The growth of our online betting and gaming business will depend on expansion of online betting and gaming into new jurisdictions and our ability to obtain required licenses.

Our ability to achieve growth in our online betting and gaming business will depend, in large part, upon expansion of online betting and gaming into new jurisdictions, the terms of regulations relating to online betting and gaming and our ability to obtain required licenses. Following the 2018 decision of the U.S. Supreme Court to overturn the federal ban on sports betting, a number of jurisdictions have legalized sports betting and online gaming and we expect that additional jurisdictions may do so in the future. Our ability to further expand our sports betting and online operations is dependent on the adoption of regulations permitting such activities. However, the expansion of betting and online gaming in new jurisdictions is dependent on a number of factors that are beyond our control and there can be no assurances of when, or if, such regulations will be adopted or the terms of such regulations, including restrictions, tax rates and license fees and availability of such licenses to casino owners exclusively or at all.

We may not be able to protect the intellectual property rights we own or may be prevented from using intellectual property necessary for our business.

The development of intellectual property is part of our overall business strategy, and we regard our intellectual property to be an important element of our success. We rely primarily on trade secret, trademark, domain name, copyright, and contract law to protect the intellectual property and proprietary technology we own. We also actively pursue business opportunities in the United States and in international jurisdictions involving the licensing of our trademarks to third parties. It is possible that third parties may copy or otherwise obtain and use our intellectual property or proprietary technology without authorization or otherwise infringe on our rights. For example, while we have a policy of entering into confidentiality, intellectual property invention assignment, and/or non-competition and non-solicitation agreements or restrictions with our employees, independent contractors, and business partners, such agreements may not provide adequate protection or may be breached, or our proprietary technology may otherwise become available to or be independently developed by our competitors. In addition, the laws of some foreign countries may not protect proprietary rights or intellectual property to as great an extent as do the laws of the United States. Despite our efforts to protect our proprietary rights, the unauthorized use or reproduction of our trademarks could

diminish the value of our trademarks and our market acceptance, competitive advantages, or goodwill, which could adversely affect our business.

Our technology contains software modules licensed to us by third-party authors under "open source" licenses. Use and distribution of open source software may entail greater risks than use of third-party commercial software, as open source licensors generally do not provide support, warranties, indemnification or other contractual protections regarding infringement claims or the quality of the code. In addition, the public availability of such software may make it easier for others to compromise our technology and, under certain open source licenses, we could be required to release the source code of our proprietary software to the public. This would allow our competitors to create similar offerings with lower development effort and time and ultimately could result in a loss of our competitive advantages.

Third parties have alleged and may in the future allege that we are infringing, misappropriating, or otherwise violating their intellectual property rights. Third parties may initiate litigation against us without warning or may send us letters or other communications that make allegations without initiating litigation. We may elect not to respond to these letters or other communications if we believe they are without merit, or we may attempt to resolve these disputes out of court by negotiating a license, but in either case it is possible that such disputes will ultimately result in litigation. Any such claims could interfere with our ability to use technology or intellectual property that is material to the operation of our business. Such claims may be made by competitors seeking to obtain a competitive advantage or by other parties, such as entities that purchase intellectual property assets for the purpose of bringing infringement claims. We also periodically employ individuals who were previously employed by our competitors or potential competitors, and we may therefore be subject to claims that such employees have used or disclosed the alleged trade secrets or other proprietary information of their former employers.

We may have to rely on litigation to enforce our intellectual property rights, protect our trade secrets, determine the validity and scope of the proprietary rights of others, or defend against claims of infringement or invalidity, including with respect to technology that we believe to be "open source". Any such litigation could result in substantial costs and the diversion of resources and the attention of management. If unsuccessful, such litigation could result in the loss of important intellectual property rights, require us to pay substantial damages, subject us to injunctions that prevent us from using certain intellectual property, require us to make admissions that affect our reputation in the marketplace, or require us to enter into license agreements that may not be available on favorable terms, re-engineer our technology or discontinue or delay the provision of our offerings. Finally, even if we prevail in any litigation, the remedy may not be commercially meaningful or fully compensate us for the harm we suffer or the costs we incur. Any of the foregoing could have a material adverse effect on our business, financial condition and results of operations.

We rely on licenses to use the intellectual property rights of third parties which are incorporated into our products and services. Failure to renew or expand existing licenses may require us to modify, limit or discontinue certain offerings.

We rely on products, technologies and intellectual property that we license from third parties, for use in our business-to-business and business-to-consumers offerings. Certain of our offerings and services use intellectual property licensed from third parties and we expect that our future products will require the use of third-party intellectual property. The future success of our business may depend, in part, on our ability to obtain, retain and/or expand licenses for popular technologies and games in a competitive market. We cannot assure that third-party licenses that may be necessary or desirable for the operation of our products, or support for such licensed products and technologies, will be available to us on commercially reasonable terms, if at all. If we are unable to renew and/or expand existing licenses or obtain new licenses, including as a result of reluctance of third parties to subject themselves to regulatory review that may be required to operate as our supplier, we may be required to discontinue or limit our use of the products that include or incorporate the licensed intellectual property, which could adversely impact our business, results of operations and prospects.

We are or may become involved in legal proceedings that, if adversely adjudicated or settled, could impact our business and financial condition.

From time to time, we are named in lawsuits or other legal proceedings relating to our respective businesses. Some of these matters involve commercial or contractual disputes, intellectual property claims, legal compliance, personal injury claims, and employment claims. As with all legal proceedings, no assurances can be given as to the

outcome of these matters. Moreover, legal proceedings can be expensive and time consuming, and we may not be successful in defending or prosecuting these lawsuits, which could result in settlements or damages that could significantly impact our business, financial condition and results of operations.

Risks Relating to the Notes and Our Company's Indebtedness

Our current and future level of debt could adversely affect our financial health and prevent us from fulfilling our obligations under the Notes.

As of September 30, 2023, we had outstanding face value debt of $12.5 billion, with $2.1 billion in available borrowing capacity under the CEI Revolving Credit Facility, after consideration of $71 million in outstanding letters of credit, $46 million committed for regulatory purposes, and $40 million of other reserves which is only available for certain permitted uses. Our debt requires significant interest and principal payments. As of September 30, 2023, after giving effect to the Transactions, we had (a) $12.6 billion of outstanding face value indebtedness, which reflects (i) the incurrence of $1.5 billion of the Notes and $2.0 billion of the CEI Term B-1 Loans under the CEI Credit Agreement (including the CEI Credit Agreement Amendment) and (ii) the consummation of the Tender Offer and the 2025 Secured Notes Redemption (if any) and (b) no outstanding borrowings under the CEI Revolving Credit Facility, with $2.1 billion of borrowing capacity thereunder, after consideration of $71 million in outstanding letters of credit, $46 million committed for regulatory purposes, and $40 million of other reserves which is only available for certain permitted uses. See "*Capitalization*" and "*Description of Other Indebtedness*."

Our current and future debt could have important consequences to you. For example, it could:

- make it more difficult for us to satisfy our obligations with respect to the Notes, the CEI Credit Facilities, our other indebtedness, our leases and our other obligations;
- increase our vulnerability to general adverse economic and industry conditions, including interest rate fluctuations, because a portion of our borrowings, will be at variable rates of interest;
- require us to dedicate a substantial portion of our cash flow from operations to payments on our debt, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions, strategic initiatives, operations, joint ventures and investments and other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and the product and service categories in which we participate;
- limit our ability to obtain additional debt or equity financing due to applicable financial and restrictive covenants in our debt agreements;
- place us at a competitive disadvantage compared to our competitors that may have less debt;
- restrict the ability for us to make strategic acquisitions, develop new gaming facilities, introduce new technologies or exploit business opportunities;
- affect our ability to obtain or renew certain gaming and other licenses; and
- limit our ability to borrow additional funds.

Any of these risks could have a material adverse effect on our business, financial condition, results of operations and prospects and our ability to satisfy our outstanding debt obligations and lease obligations.

Our ability to service our current and future levels of indebtedness will depend upon, among other things, our future financial and operating performance, which will be affected by prevailing economic conditions, including the interest rate environment and financial, business, regulatory and other factors, some of which are beyond our control.

There is no assurance that we will generate cash flow from operations or that future debt or equity financings will be available to us to enable us to pay our indebtedness or to fund other needs and we may be forced to take actions such as reducing or delaying business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing debt, reducing or discontinuing dividends we may pay in the future, or seeking additional equity capital. These actions may not be effected on satisfactory terms, or at all. Any inability to generate sufficient cash flow or refinance our indebtedness on favorable terms could have a material adverse effect on our business, results of operations and financial condition. While we expect to refinance or replace our debt facilities when they mature, we cannot be sure that we will be able to obtain financing on commercially reasonable terms.

Despite our existing debt levels, we and our subsidiaries may still incur significant additional debt. Incurring more debt could increase the risks associated with our substantial debt.

We and our subsidiaries may be able to incur substantial additional debt, including additional secured debt, in the future. The terms of the Indenture, the CEI Credit Agreement, the 2025 Secured Indenture, the 2030 Secured Indenture, the 2027 Indenture, the 2029 Indenture and the CRC Secured Indenture restrict, or will restrict, but do not completely prohibit, or will not completely prohibit, us from incurring additional secured debt, including undrawn availability under the CEI Revolving Credit Facility, under which as of September 30, 2023, we had $2.1 billion in available borrowing capacity, after consideration of $71 million in outstanding letters of credit, $46 million committed for regulatory purposes, and $40 million of other reserves which is only available for certain permitted uses. In addition, the terms of the Indenture, the CEI Credit Agreement, the 2025 Secured Indenture, the 2030 Secured Indenture, the 2027 Indenture, the 2029 Indenture and the CRC Secured Indenture permit, or will permit, us in certain circumstances to incur additional unsecured or subordinated indebtedness, including additional notes, which may also be guaranteed by the Subsidiary Guarantors. In addition, the Indenture, CEI Credit Agreement, the 2025 Secured Indenture, the 2030 Secured Indenture, the 2027 Indenture, the 2029 Indenture and the CRC Secured Indenture do not prevent, or will not prevent, us from incurring certain other liabilities that do not constitute indebtedness such as letters of credit, indemnities and certain derivative contracts.

Our non-guarantor subsidiaries have significant indebtedness and the Notes will be structurally subordinated to such indebtedness.

As of September 30, 2023, our subsidiaries that do not guarantee the Notes had outstanding debt with a face value of $989 million, including the indebtedness under the CRC Secured Notes. As of September 30, 2023, after giving effect to the Transactions, our subsidiaries that do not guarantee the Notes had outstanding debt with a face value of $989 million. Certain of our subsidiaries that are gaming licensees or registered holding companies of gaming licensees under New Jersey gaming laws will not be required to become guarantors of the Notes unless and until such guarantees are approved by the New Jersey Division of Gaming Enforcement.

The obligors for the CRC Secured Notes are our subsidiaries and are expected to generate a substantial portion of our aggregate income and cash flow. Until the CRC Secured Indenture is not in effect (unless sooner elected by us), the obligors for the CRC Secured Notes will not be guarantors for the Notes. In addition, the terms of the Indenture, the CEI Credit Agreement, the 2025 Secured Indenture, the 2030 Secured Indenture, the 2027 Indenture, the 2029 Indenture and the CRC Secured Indenture permit, or will permit, our non-guarantor subsidiaries in certain circumstances to incur significant additional indebtedness. We do not expect to consent to the non-guarantor subsidiaries becoming guarantors for the Notes while any indebtedness under the CRC Secured Notes, or any refinancing of the foregoing or any such additional indebtedness, remains outstanding. Therefore, the Notes will be structurally subordinated to such indebtedness.

In addition, the CRC Secured Indenture includes restrictions on the ability of CRC and its subsidiaries to distribute, transfer or loan cash and other assets to us and the guarantors for the Notes. Investors should not assume that the income or cash flows or the proceeds of any asset sales or other transactions of CRC and its subsidiaries will be available at all times, or at any time, to service the indebtedness of us, including the Notes.

We may not be able to generate sufficient cash to service all of our debt, including the Notes, and may be forced to take other actions to satisfy our obligations under our debt, which may not be successful.

Our ability to make scheduled payments on or to refinance our debt obligations, including the Notes, and to fund working capital, planned capital expenditures and expansion efforts and any strategic alliances or acquisitions

we may make in the future depends on our ability to generate cash in the future and our financial condition and operating performance, which are subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We cannot assure you that we will maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our debt, including the Notes.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance our debt, including the Notes. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. If our operating results and available cash are insufficient to meet our debt service obligations, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. We may not be able to consummate those dispositions or to obtain the proceeds sought from them, and these proceeds may not be adequate to meet any debt service obligations then due. Additionally, the Indenture, the CEI Credit Agreement, the 2025 Secured Indenture, the 2030 Secured Indenture, the 2027 Indenture, the 2029 Indenture and the CRC Secured Indenture limit, or will limit, the use of the proceeds from any disposition; as a result, we may not be allowed, under these documents, to use proceeds from such dispositions to satisfy our debt service obligations. If we cannot make scheduled payments on our debt, we will be in default and, as a result, our lenders or noteholders could declare all outstanding amounts to be due and payable, terminate or suspend their commitments to loan money and foreclose against the assets securing such debt, and we could be forced into bankruptcy or liquidation, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects and could result in you losing your investment in the Notes. Further, we may need to refinance all or a portion of our debt on or before maturity, and we cannot assure you that we will be able to refinance any of our debt on commercially reasonable terms or at all.

Covenants in our debt instruments restrict our business and could limit our ability to implement our business plan.

The Indenture, the CEI Credit Agreement, the 2025 Secured Indenture, the 2030 Secured Indenture, the 2027 Indenture, the 2029 Indenture and the CRC Secured Indenture contain, or will contain, and any future debt instruments likely will contain, covenants that may restrict our ability to implement our business plan, finance future operations, respond to changing business and economic conditions, secure additional financing, and engage in opportunistic transactions, such as strategic acquisitions. The Indenture, the CEI Credit Agreement, the 2025 Secured Indenture, the 2030 Secured Indenture, the 2027 Indenture, the 2029 Indenture and the CRC Secured Indenture include, or will include, covenants restricting, among other things, our ability to do the following:

- incur, assume or guarantee additional indebtedness;
- issue redeemable stock and preferred stock;
- grant or incur liens;
- sell or otherwise dispose of assets, including capital stock of subsidiaries;
- make loans and investments;
- pay dividends, make distributions or redeem or repurchase capital stock;
- enter into transactions with affiliates; and
- consolidate or merge with or into, or sell substantially all of our assets to, another person.

As a result of these covenants, we are limited in the manner in which we conduct our business, and we may be unable to engage in favorable business activities or finance future operations or capital needs.

A failure to comply with the covenants contained in the agreements that govern our indebtedness could result in an event of default thereunder, which, if not cured or waived, could have a material adverse effect on our business, financial condition and results of operations. In the event of any default under our indebtedness, the lenders or noteholders thereunder:

- will not be required to lend any additional amounts to the applicable borrower;
- could elect to declare all of the applicable indebtedness outstanding together with accrued interest and fees, to be due and payable and terminate all commitments thereunder to extend further credit; or
- require the applicable borrower to apply all of its and its subsidiaries' available cash to repay such indebtedness.

Such actions by the holders of any of our indebtedness could cause cross-defaults under our other indebtedness. We have pledged a significant portion of our assets as collateral under our and our subsidiaries' secured debt agreements. If any of our applicable lenders or noteholders accelerate the repayment of secured borrowings or secured notes, there can be no assurance that we will have sufficient assets to repay our indebtedness.

Additionally, our guarantees in connection with the Las Vegas Lease, the Regional Lease and the Joliet Lease include covenants that may restrict our ability to pay dividends and repurchase our shares.

In addition, the CEI Credit Agreement contains financial covenants applying a maximum total net leverage ratio of us and our restricted subsidiaries and a minimum cash interest coverage ratio of us and our restricted subsidiaries, each of which is applicable to the CEI Revolving Credit Facility and the CEI Term A Loans (as defined below) for so long as the CEI Term A Loans are outstanding and thereafter if the CEI Revolving Credit Facility is drawn above a specified level.

Our ability to comply with these covenants may be affected by events beyond our control. If we default under the Indenture, the CEI Credit Agreement, the 2025 Secured Indenture, the 2030 Secured Indenture, the 2027 Indenture, the 2029 Indenture or the CRC Secured Indenture because of a covenant breach or otherwise, all outstanding amounts thereunder could become immediately due and payable. We cannot assure you that we will be able to comply with the covenants in the Indenture, the CEI Credit Agreement, the 2025 Secured Indenture, the 2030 Secured Indenture, the 2027 Indenture, the 2029 Indenture and the CRC Secured Indenture or that any covenant violations will be waived. Any violation that is not waived could result in an event of default and, as a result, our lenders or noteholders could declare all outstanding amounts to be due and payable, terminate or suspend their commitments to loan money and foreclose against the assets securing such debt, and we could be forced into bankruptcy or liquidation, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects and could result in you losing your investment in the Notes. See "*Description of Notes—Defaults*."

If we default under the CEI Credit Agreement, the 2025 Secured Indenture, the 2030 Secured Indenture, the 2027 Indenture, the 2029 Indenture, the CRC Secured Indenture or the Indenture governing the Notes, we may not be able to service our debt obligations.

In the event of a default under the Indenture, the CEI Credit Agreement, the 2025 Secured Indenture, the 2030 Secured Indenture, the 2027 Indenture, the 2029 Indenture, the CRC Secured Indenture or certain of our other indebtedness, the lenders or noteholders, as the case may be, could elect to declare all amounts borrowed, together with accrued and unpaid interest and other fees, to be due and payable, cease making further loans and institute foreclosure proceedings against our assets, and we could be forced into bankruptcy or liquidation. If such acceleration occurs, thereby permitting an acceleration of amounts outstanding under the Notes, we may not be able to repay the amounts due under the Notes and our other outstanding indebtedness. This could have serious consequences to the holders of the Notes and to our financial condition and results of operations, and could cause us to become bankrupt or insolvent. If a default occurred under the credit facilities of one of our unrestricted subsidiaries, the subsidiary or subsidiaries party to such credit facility might have to take actions that could result in the diminution or elimination of our equity interest in such subsidiary.

Unrestricted subsidiaries will not be subject to the restrictive covenants in the Indenture that will govern the Notes.

None of the unrestricted subsidiaries will be subject to the restrictive covenants in the Indenture that will govern the Notes. As a result, any such unrestricted subsidiaries will be able to engage in many of the activities that we and our restricted subsidiaries subject to the restrictive covenants in the Indenture that will govern the Notes will be prohibited or limited from doing under the terms of the Indenture. These actions could be detrimental to our ability

to make payments of principal and interest under the Notes when due and to comply with our other obligations under the Notes and could reduce the amount of our assets that would be available to satisfy your claims should we default on the Notes.

Your right to receive payments on the Notes and the related guarantees is effectively subordinated to the extent that any other indebtedness is secured by assets of the Issuer and the Subsidiary Guarantors not constituting collateral.

The Indenture will permit us to secure indebtedness on assets other than the collateral, which may include financing relating to future properties, potential acquisitions, working capital, capital expenditures or general corporate purposes. As described above under "*—Our non-guarantor subsidiaries have significant indebtedness and the Notes will be structurally subordinated to such indebtedness*," our non-guarantor subsidiaries also have significant secured and unsecured indebtedness that will be structurally senior to the Notes. Until the CRC Secured Indenture is not in effect (unless sooner elected by us), the collateral for the CRC Secured Notes will not be pledged to secure the Notes. If the Issuer or a Subsidiary Guarantor becomes insolvent or is liquidated, the lenders under the Issuer's or such Subsidiary Guarantor's indebtedness secured by assets other than the collateral will have claims on the assets securing their indebtedness and will have priority over any claim for payment under the Notes or the related guarantees to the extent of the value of such assets. Holders of the Notes will participate in the Issuer's and the Subsidiary Guarantors' remaining assets (to the extent not constituting collateral) ratably with all holders of our indebtedness that is deemed to be of the same class as the Notes, and potentially with all of our other general creditors and it is possible that there would be no assets remaining after satisfaction of the claims of such creditors or, if any assets remained, they might be insufficient to fully satisfy claims of the holders of the Notes.

In addition, on the date of the issuance of the Notes, certain of our subsidiaries that are gaming licensees or registered holding companies of gaming licensees under New Jersey gaming laws will not be required to become guarantors of the Notes unless and until such guarantees are approved by the New Jersey Division of Gaming Enforcement. Furthermore, on the date of the issuance of the Notes, the pledges of the equity interests in and assets of certain of our subsidiaries that are gaming licensees or registered holding companies of gaming licensees under Nevada and/or New Jersey gaming laws will not be effective unless and until such pledges are approved by the Nevada Gaming Control Board, the Nevada Gaming Commission and the New Jersey Division of Gaming Enforcement, as applicable. See "*—Risks Relating to the Notes and Our Company's Indebtedness—Not all security over the collateral will be in place on the date of issuance of the Notes*." We will file applications requesting such approvals by, or promptly following, the issue date of the Notes, and, for six months after the issue date of the Notes, we will use commercially reasonable efforts to obtain such approvals; *provided*, *however*, there is no assurance that such approvals will be granted or will not be delayed. However, such equity and assets are pledged and related guarantees are granted under the CEI Credit Agreement (including, once similar approvals are obtained, the CEI Term B-1 Loans), the 2025 Secured Notes and the 2030 Secured Notes and as a result, until such equity and assets are pledged and guarantees are granted with respect to the Notes, the obligations under the CEI Credit Agreement (including, once similar approvals are obtained, the CEI Term B-1 Loans), the 2025 Secured Notes and the 2030 Secured Notes will be structurally senior to the Notes with respect to the value of such collateral. If the Issuer or a Subsidiary Guarantor becomes insolvent or is liquidated, the lenders under the CEI Credit Agreement (including, once similar approvals are obtained, the CEI Term B-1 Loans), the holders of the 2025 Secured Notes and the holders of the 2030 Secured Notes will have claims on these assets and will have priority over any claim for payment under the Notes or the related guarantees to the extent of the value of such assets.

Not all security over the collateral will be in place on the date of issuance of the Notes.

We expect that not all of the security interests in the collateral will be in place on the date of issuance of the Notes. In addition, although we will be required to use commercially reasonable efforts to have all security interests in place on the issue date of the Notes or, with respect to certain collateral, to use commercially reasonable efforts to have them in place within 180 days after the closing of this offering, we may not be able to put in place security interests in certain collateral within such time that cannot be provided with commercially reasonable efforts. The pledge of the equity interests of certain of our subsidiaries that are gaming licensees or registered holding companies of gaming licensees under Nevada and/or New Jersey gaming laws will not be effective unless and until such pledges are approved by the Nevada Gaming Control Board, the Nevada Gaming Commission and the New Jersey Division of Gaming Enforcement, as applicable. Within twenty business days after receipt of any such approvals, the Issuer and the applicable Subsidiary Guarantors shall execute any and all further documents, agreements and instruments, and take all such further actions in order to evidence the right, title and interest of the Collateral Agent in such pledged

stock and/or related guarantees. However, we cannot predict when these approvals will be granted, if at all, and in other cases, these approvals have not been granted until six months or longer after creation of the relevant obligations. We will file applications requesting such approvals by, or promptly following, the issue date of the Notes, and, for six months after the issue date of the Notes, we will use commercially reasonable efforts to obtain such approvals; *provided*, *however*, there is no assurance that such approvals will be granted or will not be delayed. See "*—Your right to receive payments on the Notes and the related guarantees is effectively subordinated to the extent that any other indebtedness is secured by assets of the Issuer and the Subsidiary Guarantors not constituting collateral*."

Any issues that we are not able to resolve in connection with the delivery and recordation of such security interests may negatively impact the value of the collateral. To the extent a security interest in certain collateral is not put in place until after the date of the issuance of the Notes, such security interest might be avoidable in bankruptcy, which could impact the value of the Collateral. See "*—Any future pledge of collateral or guarantee might be avoidable in bankruptcy*."

Gaming laws may impose additional restrictions on the pledge of equity and foreclosure on the collateral securing certain of our indebtedness, including the Notes.

As a result of gaming restrictions applicable in certain states in which we operate, in any foreclosure sale of our properties, the purchaser or the operator of the facility must obtain all required approvals under the applicable gaming laws and regulations prior to assuming operational control of the casino. If the Notes Trustee or the lenders under our secured indebtedness, including the Indenture, the CEI Credit Agreement, the 2025 Secured Indenture and the 2030 Secured Indenture, purchased one or more properties at a foreclosure sale, the Notes Trustee or such lenders would not be permitted to continue gaming operations at such casino until they (and any proposed casino management group) have obtained any required gaming licenses and other gaming approvals necessary to conduct gaming operations at the facility. The holders of the Notes may separately be required to obtain gaming licenses or other approvals, depending upon the laws and regulations in the jurisdictions in which we operate.

The pledges of the equity interests in and assets of certain of our subsidiaries that are gaming licensees or registered holding companies of gaming licensees under Nevada and/or New Jersey gaming laws will not be effective unless and until such pledges are approved by the Nevada Gaming Control Board, the Nevada Gaming Commission and the New Jersey Division of Gaming Enforcement, as applicable. We will file applications requesting such approvals by, or promptly following, the issue date of the Notes, and, for six months after the issue date of the Notes, we will use commercially reasonable efforts to obtain such approvals; *provided*, *however*, there is no assurance that such approvals will be granted or will not be delayed.

To the extent potential bidders who wish to operate the casino must satisfy these gaming regulatory requirements, the number of potential bidders in a foreclosure sale could be less than in foreclosures of other types of facilities, and this requirement may delay the sale of, and may reduce the sales price for, the collateral securing our indebtedness, including the Notes. The ability to take possession and dispose of the collateral, and to otherwise pursue or obtain repayment of the Notes, is likely to be significantly impaired or delayed by applicable bankruptcy law if a bankruptcy case is commenced by or against us prior to a taking of possession or disposition of the collateral by the Collateral Agent. See "*—The value of the collateral may not be sufficient to secure post-petition interest, fees and expenses in a bankruptcy case of us or any of the Subsidiary Guarantors. In the event of a bankruptcy of the Issuer or any of the Subsidiary Guarantors, the holders of the Notes would be deemed to have an unsecured claim to the extent that the Issuer's and the Subsidiary Guarantors' obligations in respect of the Notes and all of their other obligations secured by the collateral equal or exceed the fair market value of the collateral*" below.

In addition, holders of the Notes will not have a lien on our gaming or liquor licenses because under certain gaming and liquor laws they may not be pledged as collateral. Accordingly, such assets will not be available to the holders upon an exercise of remedies under the collateral documents.

The value of the collateral may not be sufficient to satisfy our obligations under the Notes, the CEI Credit Facilities, the 2025 Secured Notes, the 2030 Secured Notes and any other secured indebtedness.

No appraisal of the value of the collateral has been made in connection with this offering, and the fair market value of the collateral is subject to fluctuations based on factors that include, among others, general economic conditions and similar factors. The amount to be received upon a sale of the collateral would be dependent on

numerous factors, including, but not limited to, the actual fair market value of the collateral at such time, the timing and the manner of the sale and the availability of buyers. By its nature, portions of the collateral may be illiquid or intangible and may have no readily ascertainable market value. In the event of a foreclosure, liquidation, bankruptcy or similar proceeding, the collateral may not be sold in a timely or orderly manner, and the proceeds from any sale or liquidation of this collateral may not be sufficient to pay our obligations under the Notes and our other first-priority lien obligations, which includes the CEI Credit Facilities, the 2025 Secured Notes and the 2030 Secured Notes.

The Notes Trustee, as authorized representative with respect to the Notes, will enter into a joinder to the First Lien Intercreditor Agreement, dated as of July 20, 2020 (as amended, supplemented or otherwise modified from time to time, the "First Lien Intercreditor Agreement"), among the Collateral Agent, U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as authorized representative with respect to the 2025 Secured Notes, U.S. Bank Trust Company, National Association, as authorized representative with respect to the 2030 Secured Notes, JPMorgan Chase Bank, N.A., as authorized representative with respect to the CEI Credit Facilities, and the other parties thereto, which agreement will set forth the respective rights of the holders of the Notes, the lenders under the CEI Credit Facilities, the holders of the 2025 Secured Notes, the holders of the 2030 Secured Notes and certain future creditors of debt secured by liens on the collateral permitted to rank equally with the Notes, the obligations under the CEI Credit Facilities, the 2025 Secured Notes and the 2030 Secured Notes. The First Lien Intercreditor Agreement will provide that proceeds from enforcement of the collateral will be shared ratably among the CEI Credit Facilities lenders, the holders of the Notes, the holders of the 2025 Secured Notes, the holders of the 2030 Secured Notes and such future creditors. The value realized through enforcement of the collateral may not be sufficient to pay all obligations under the Notes and the guarantees as well as all other obligations entitled to receive a ratable portion of such enforcement proceeds.

Holders of the Notes may have only limited control over many decisions related to the collateral.

The rights of the holders of the Notes with respect to the collateral will be subject to the First Lien Intercreditor Agreement among all holders of obligations secured on a first-priority basis by that collateral, including the obligations under the CEI Credit Facilities, the holders of the 2025 Secured Notes and the holders of the 2030 Secured Notes. Under the terms of the First Lien Intercreditor Agreement, the agent under the CEI Credit Facilities will have the exclusive right (subject to limited exceptions) to direct the Collateral Agent to exercise remedies and take enforcement actions relating to the collateral acting at the direction of the lenders under the CEI Credit Facilities until the earlier of (i) such date as the CEI Credit Facilities (and any designated refinancing thereof) have been paid in full or (ii) the date 180 days subsequent to the occurrence of an event of default under the Indenture or any other agreement governing first lien debt (other than the CEI Credit Facilities) subject to the First Lien Intercreditor Agreement if the authorized representative of the holders of such debt represents the largest outstanding aggregate principal amount of indebtedness secured by a first-priority lien on the collateral, such debt is then due and payable in full in accordance with the terms of the applicable agreement, and such authorized representative has complied with the applicable notice provisions so long as the agent under the CEI Credit Facilities or the Collateral Agent (acting on the instruction of the agent under the CEI Credit Facilities) has not commenced the exercise of remedies with respect to collateral and the applicable obligors are not then subject to a bankruptcy or insolvency proceeding. At any time that the agent under the CEI Credit Facilities does not have the right to direct the Collateral Agent's actions with respect to the collateral pursuant to the First Lien Intercreditor Agreement, the right to direct such actions will, subject to the terms and limitations of the immediately preceding sentence, pass to the authorized representative of holders of the then largest outstanding principal amount of indebtedness secured by a first-priority lien on the collateral. If we have, at such time, outstanding indebtedness that is secured by liens on the collateral equal in priority to the liens securing the Notes and the guarantees in a greater principal amount than the aggregate principal amount of the Notes, then the authorized representative for such indebtedness may be next in line to direct the Collateral Agent to exercise rights with respect to the collateral under the First Lien Intercreditor Agreement, rather than the Notes Trustee under the Indenture. The Indenture and the First Lien Intercreditor Agreement will permit us to incur further indebtedness secured by liens on the collateral ranking equally with the liens securing the Notes and the guarantees and the obligations under the CEI Credit Facilities, the 2025 Secured Notes and the 2030 Secured Notes. As a result of these restrictions, the Notes Trustee under the Indenture and the holders of the Notes may not be able to act quickly or at all to have the Collateral Agent realize on the collateral in the event of a default with respect to the Notes. See "*Description of Notes—First Lien Intercreditor Agreement*."

Also, under the First Lien Intercreditor Agreement, in the event that the Notes Trustee under the Indenture or the holders of the Notes obtain possession of any collateral or realize any proceeds or payment in respect of any such collateral at any time prior to the discharge of each of the other first-priority lien obligations, then such Notes Trustee and holders will be obligated to hold such collateral, proceeds or payment in trust for the other holders of first-priority lien obligations and promptly transfer such collateral, proceeds or payment, as the case may be, to the Collateral Agent under the First Lien Intercreditor Agreement, to be distributed in accordance with the provisions of the First Lien Intercreditor Agreement among all the holders of first-priority lien obligations subject thereto.

To the extent that liens securing obligations under the CEI Credit Facilities, pre-existing liens, liens permitted under the Indenture and other rights, including liens on excluded assets, such as those securing purchase money obligations and capital lease obligations granted to other parties (in addition to the holders of any other obligations secured by higher priority liens), encumber any of the collateral securing the Notes and the related guarantees, those parties may have or may exercise rights and remedies with respect to the collateral that could adversely affect the value of the collateral and the ability of the Collateral Agent, the Notes Trustee under the Indenture or the holders of the Notes to realize or foreclose on the collateral. By accepting a Note, you will be deemed to have agreed to these restrictions. As a result of these restrictions, holders of the Notes may not be able to act quickly or at all to have the Collateral Agent realize on the collateral in the event of a default with respect to the Notes.

The value of the collateral may not be sufficient to pay off all amounts we may borrow under the CEI Credit Facilities, the Notes, the 2025 Secured Notes, the 2030 Secured Notes and additional indebtedness that we may incur that would be secured on the same basis as the Notes. If the proceeds of any sale of collateral are not sufficient to repay all amounts due on the Notes, the holders of the Notes (to the extent not repaid from the proceeds of the sale of the collateral) would have only a senior, unsecured "deficiency" claim against the Issuer's and the Subsidiary Guarantors' remaining assets for any such shortfall.

The value of the collateral may not be sufficient to secure post-petition interest, fees and expenses in a bankruptcy case of us or any of the Subsidiary Guarantors. In the event of a bankruptcy of the Issuer or any of the Subsidiary Guarantors, the holders of the Notes would be deemed to have an unsecured claim to the extent that the Issuer's and the Subsidiary Guarantors' obligations in respect of the Notes and all of their other obligations secured by the collateral equal or exceed the fair market value of the collateral.

In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding against the Issuer or any Subsidiary Guarantors located in the United States, holders of the Notes will only be entitled to post-petition interest, fees and expenses under Title 11 of the United States Code, as amended (the "U.S. Bankruptcy Code"), to the extent that the value of their security interest in the collateral securing the Notes, taken in order of priority with other obligations secured by the collateral, is greater than their pre-bankruptcy claim (and all other claims against us that are secured by the collateral on a first-priority basis). In such event, holders of the Notes may be deemed to have an unsecured "deficiency" claim to the extent that our obligations in respect of the Notes (and all of our other first-priority lien obligations) exceed the value of the collateral. No appraisal of the fair market value of the collateral has been prepared in connection with this offering of the Notes and we therefore cannot assure you that the value of the holders of the Notes' interest in the collateral equals or exceeds the principal amount of the Notes and such other first-priority lien obligations. Holders of the Notes that have a security interest in collateral with a value equal or less than their pre-bankruptcy claim will not be entitled to post-petition interest, fees and expenses under the U.S. Bankruptcy Code. In addition, it is possible that a bankruptcy trustee (if one were to be appointed), a debtor-in-possession or competing creditors will assert that the value of the collateral with respect to the Notes on the date of the bankruptcy filing or any other relevant date was less than the then current principal amount of the Notes (and all of our other first-priority lien obligations). Upon a finding by a bankruptcy court that the Notes are under-collateralized, the claims in the bankruptcy proceeding with respect to the Notes would be bifurcated between a secured claim equal to the value of the interest in the collateral and an unsecured deficiency claim, and the unsecured claim would not be entitled to the benefits of security in the collateral. Other consequences of a finding of under-collateralization would include, among other things, a lack of entitlement on the part of the holders of the Notes to receive post-petition interest, fees and expenses and a lack of entitlement on the part of the unsecured portion of the Notes to receive "adequate protection" under U.S. Bankruptcy Code. In addition, if any payments of post-petition interest or other amounts had been made at the time of such a finding of under-collateralization, those payments could be recharacterized by the bankruptcy court as a reduction of the principal amount of the secured claim with respect to the Notes.

We will in most cases have control over the collateral and the sale of assets could reduce the pool of assets securing the Notes and the related guarantees.

The security documents that will relate to the Notes and the related guarantees allow the Issuer and the Subsidiary Guarantors, subject to certain exceptions, to remain in possession of, retain exclusive control over, operate and collect, and invest and dispose of certain income from the collateral that will secure the Notes. If we sell assets, including collateral in which the holders of the Notes have a first-priority lien, we may replace such collateral with other assets that would not constitute collateral or use the net proceeds for such sale to repay certain indebtedness or for other permitted purposes. In some cases, we may sell some or all of the collateral in which the holders of the Notes have a first-priority lien and not be required to offer to repurchase the Notes. For example, if we sell an operating business and subsequently acquire a different operating business, the holders of the Notes may lose some or all of the benefit of first-priority collateral if the acquired business has less collateral than the business that was sold. To the extent the proceeds from any sale of collateral do not constitute collateral under the security documents, the pool of assets securing the Notes and any related guarantees will be reduced, and the Notes and any related guarantees will not be secured by such proceeds.

Delivery of real estate mortgages, ship mortgages or security interests in other collateral after the closing date of the offering increases the risk that such mortgages or other security interests may be avoidable in bankruptcy.

Security interests (including real estate mortgages and ship mortgages on our vessels) in certain collateral (including, in particular, collateral acquired after the closing of this offering) may be obtained after the closing date of this offering. If the grantor of any such security interest were to become the subject of a bankruptcy proceeding after the closing date of the offering, any mortgages or security interest in other collateral delivered after the closing date of the offering would face a risk of being avoided as a preference under the U.S. Bankruptcy Code if certain events or circumstances exist or occur, including if the grantor is insolvent at the time the security is granted, the security documents would permit you to receive greater recovery in a hypothetical Chapter 7 liquidation than if the security interest had not been given and, in each case, a bankruptcy proceeding in respect of the pledgor is commenced within 90 days following the pledge (or, in certain circumstances, a longer period). If the grant of any such mortgage or other security interest is avoided as a preference, you would lose the benefit of that mortgage or security interest.

We will use commercially reasonable efforts to obtain such real estate mortgages (or modifications of existing real estate mortgages, as applicable) on our real property collateral and ship mortgages on our vessel collateral in place within 180 days following the closing date or as soon as practicable thereafter.

With respect to our owned or leased real properties to be mortgaged as security for the Notes, we will not obtain a title insurance policy for the benefit of the Collateral Agent for its benefit and for the benefit of the Notes Trustee and the holders of the Notes. As a result, there will be no independent assurance that the mortgages securing the Notes and the guarantees are encumbering the correct real properties or that there are no liens or encumbrances other than those permitted by the Indenture encumbering such real properties.

No title insurance will be obtained in connection with the issuance of the Notes. Therefore, there will be no independent assurance that, among other things, (i) the mortgages create a valid and enforceable lien, (ii) the real property encumbered by the mortgages includes the property owned or leased by us or our affiliates that the mortgages intended to include, (iii) we have the ownership or leasehold rights to the owned or leased real properties that we purport to own or lease in each mortgage, and that our title to such owned or leased real property is not encumbered by liens or encumbrances not permitted by the Indenture and (iv) no encroachments or encumbrances, adverse possession claims, zoning or other restrictions exist with respect to such owned or leased real properties which could result in a material adverse effect on the value or utility of such real properties.

We did not obtain a survey of the real property collateral in connection with the issuance of the Notes. A current survey of the real property collateral may reveal issues that could materially affect the use or value of such real property.

Title insurance will be obtained in connection with the CEI Credit Facilities, which title insurance insures the agent for the benefit of the lenders under the CEI Credit Facilities. The agent and lenders under the CEI Credit Facilities will not be required to share any proceeds of title insurance that benefit such agent or lenders with the Notes Trustee or holders of the Notes.

Certain of the real property constituting collateral is leased. There is a risk that such leases may terminate and no longer constitute collateral.

Some of the assets securing or to secure the Notes and the related guarantees consist in whole or in material part of leasehold interests under leases or subleases. Debt secured by a lien on a leasehold interest in real estate is subject to risks not associated with debt secured by a mortgage lien on a fee interest in real estate. The most significant of these risks is that a leasehold interest could be terminated before the debt secured by the mortgage is paid in full. The forms of these leases vary in scope and extent with respect to provisions designed to protect the interests of a leasehold mortgagee.

In addition, if a mortgage on our landlord's fee interest in the property is recorded prior to the recordation of a memorandum of our interest, as tenant, in the lease or if the lease, by its terms, is subordinate to our landlord's fee mortgage, the holder of such fee mortgage could, in the event of the foreclosure of such fee mortgage, elect to terminate the applicable lease, and, thereby, your mortgage lien on such leasehold interest would terminate. The leases may also prohibit the lessee from encumbering its interest in the property or may require the consent of the lessor in order to encumber its interest. If such restrictions exist or consent of the lessor is not obtained, a mortgage on such lease will not be put in place and the value of the collateral could be adversely affected.

The imposition of certain permitted liens could materially adversely affect the value of the collateral and in certain cases will cause the asset on which such liens are imposed to be excluded from the collateral. There are also other categories of property that are excluded from the collateral.

The collateral securing the Notes will be subject to liens permitted under the terms of the Indenture, whether arising on or after the date the Notes are issued, including, but not limited to, liens arising by operation of law or in the ordinary course of business. The beneficiaries of such liens will not be required in all circumstances to join the First Lien Intercreditor Agreement and therefore may take actions in respect of the collateral that adversely affect the interests of holders of the Notes. The existence of any permitted liens could adversely affect the value of the collateral as well as the ability to realize or foreclose on such collateral. The collateral may also secure future indebtedness and other obligations of us and any Subsidiary Guarantors to the extent permitted by the Indenture and the security documents. Any future liens on the collateral may reduce the extent of the value of the collateral that would be available to pay obligations under the Notes and the related guarantees. In addition, the imposition of certain permitted liens may cause the relevant assets to become "excluded property," which will not secure the Notes. Assets subject to liens in favor of third parties to secure purchase money indebtedness or capital lease obligations, where the agreement governing such indebtedness or obligation prohibits or requires the consent of a third party for the grant of a lien on such assets to the Collateral Agent may be automatically excluded from the collateral.

Other categories of assets that are excluded from the collateral include certain interests in real property not meeting certain significance thresholds, motor vehicles, commercial tort claims, certain equity interests, certain bank and securities accounts, certain contracts, certain licenses and permits (including gaming licenses), until the CRC Secured Indenture is not in effect (unless sooner elected by the Company), the equity interests in and assets of CRC and its subsidiaries, assets securing permitted qualified non-recourse indebtedness or permitted receivable financing, and certain other assets. See "*Description of Notes—Security—Certain Limitations on the Collateral*" for more information regarding these and other categories of excluded assets.

The rights of holders of the Notes with respect to such excluded property will be equal to the rights of our and the Subsidiary Guarantors' general unsecured creditors (and effectively junior to the rights of our and the Subsidiary Guarantors' creditors whose obligations are secured by a lien on such excluded property) to the extent of the value of such excluded property in the event of any bankruptcy filed by or against us or the guarantors under applicable U.S. federal bankruptcy laws.

Certain laws and regulations may impose restrictions or limitations on foreclosure.

Our obligations under the Notes and the related guarantors' obligations under any guarantees are secured only by the collateral described in this Offering Memorandum. The Collateral Agent's ability to foreclose on the collateral on behalf of the holders of the Notes may be subject to perfection, priority issues, state law requirements, applicable bankruptcy law, the United States Ship Mortgage Act, gaming regulatory requirements and practical problems associated with the realization of the Collateral Agent's security interest in or lien on the collateral, including

cure rights, foreclosing on the collateral within the time periods permitted by third parties or prescribed by laws, obtaining third-party consents, obtaining gaming authority approvals, making additional filings, statutory rights of redemption and the effect of the order of foreclosure. We cannot assure you that the consents of any third parties and approvals by governmental entities (including gaming authorities) or courts of competent jurisdiction will be given when required to facilitate a foreclosure on such assets. Therefore, we cannot assure you that foreclosure on the collateral will be sufficient to make all payments on the Notes.

Our business requires compliance with numerous governmental and regulatory requirements. Continued operation of our properties that are part of the collateral will depend on the continued compliance with such governmental and regulatory requirements to the extent applicable, and our business and the value of the collateral may be adversely affected if we fail to comply with these requirements or changes in these requirements. In the event of foreclosure, the transfer of such permits and licenses may be prohibited or may require us to incur significant cost and expense. Furthermore, we cannot assure you that the applicable governmental authorities will consent to the transfer of all such permits. If the regulatory approvals required for such transfer are not obtained or are delayed, the foreclosure may be delayed, our operations may be shut down and the value of the collateral may be significantly impaired.

Rights of holders of the Notes in the collateral may be adversely affected by the failure to perfect security interests in certain collateral, whether now owned or acquired in the future.

The security interest in the collateral securing the Notes includes certain assets, both tangible and intangible, whether now owned or acquired or arising in the future. Applicable law requires that a security interest in certain property and rights acquired after the grant of a general security interest can only be perfected at the time such property and rights are acquired and identified. The Notes Trustee and the Collateral Agent are not obligated to monitor, and we may not inform the Notes Trustee or the Collateral Agent of, the future acquisition of property and rights that constitute collateral, so the necessary action may not be taken to properly perfect the security interest in such after-acquired collateral. Similarly, the necessary perfection steps may not be taken in respect of security over collateral currently owned for various reasons. We will have limited obligations to perfect the security interest of the holders of the Notes in specified collateral. For example, we will not be required to provide control agreements in respect of bank accounts and securities accounts, to perfect security interests in letters of credit or to perfect any security interests where the Collateral Agent and the Issuer reasonably agree that the costs of doing so are excessive in relation to the value of the security obtained by the holders of the Notes. Such failure may result in the loss of the security interest therein or the priority of the security interest in favor of the Notes against third parties. In addition, even if the Notes Trustee or the Collateral Agent does properly perfect liens on collateral acquired in the future, such liens may (as described further herein) potentially be avoidable as a preference or otherwise in any bankruptcy case under certain circumstances. See "*—Any future pledge of collateral or guarantee might be avoidable in bankruptcy*."

Rights of holders of the Notes in the collateral may be adversely affected by bankruptcy proceedings in the United States.

The right of the Collateral Agent to repossess and dispose of the collateral securing the Notes upon an event of default is likely to be significantly impaired (or at a minimum delayed) by the U.S. Bankruptcy Code if bankruptcy proceedings are commenced by or against the Issuer or a Subsidiary Guarantor prior to or possibly even after the Collateral Agent has repossessed and disposed of the collateral. Under the U.S. Bankruptcy Code, upon the commencement of a bankruptcy case, an automatic stay goes into effect which, among other things, with only limited exceptions, stays:

- the commencement or continuation of any action or proceeding against the debtor that was or could have been commenced before the commencement of the bankruptcy case to recover a claim against the debtor that arose before the commencement of the bankruptcy case;
- any act to obtain possession of, or control over, property of the debtor's bankruptcy estate or the debtor;
- any act to create, perfect or enforce any lien against the property of the bankruptcy estate; and

- any act to collect or recover a claim against the debtor that arose before the commencement of the bankruptcy case.

Under the U.S. Bankruptcy Code, a secured creditor, such as the Collateral Agent, is prohibited from repossessing its security from a debtor in a bankruptcy case, or from disposing of security repossessed from a debtor, without bankruptcy court approval (which may not be given or could be delayed under the circumstances). Moreover, the U.S. Bankruptcy Code permits the debtor to continue to retain and to use collateral, and the proceeds, products, rents or profits of the collateral, even though the debtor is in default under the applicable debt instruments, *provided* that the secured creditor is given "adequate protection." The meaning of the term "adequate protection" may vary according to circumstances, but it is intended in general to protect the value of the secured creditor's interest in the collateral and may include cash payments or the granting of additional or replacement security, if and at such time as the court in its discretion determines, for any diminution in the value of the collateral as a result of the stay of repossession or disposition or any use of the collateral by the debtor during the pendency of the bankruptcy case. A bankruptcy court may determine that a secured creditor may not require compensation for any diminution in the value of its collateral if the value of the collateral exceeds the debt it secures. Generally, adequate protection payments, in the form of cash payments or otherwise, are not required to be paid by a debtor to a secured creditor unless the bankruptcy court determines that the value of the secured creditor's interest in the collateral is declining during the pendency of the bankruptcy case, and any adequate protection payments approved by the bankruptcy court are limited to the aggregate amount of diminution in value of the secured creditors' interest in the collateral occurring after the bankruptcy filing. In view of both the lack of a precise definition of the term "adequate protection" under the U.S. Bankruptcy Code and the broad discretionary powers of a bankruptcy court, it is impossible to predict whether or when payments under the Notes could be made following the commencement of a bankruptcy case or the length of the delay in making any such payments, whether or when the Collateral Agent could or would repossess or dispose of the collateral, or whether or to what extent or in what form holders of the Notes would be compensated for any delay in payment or loss of value of the collateral through the requirements of "adequate protection" or otherwise. Furthermore, in the event the bankruptcy court determines that the value of the collateral is not sufficient to repay all amounts due on the Notes (and all of our other obligations that are secured by the collateral on a first-priority basis), the holders of the Notes would have undersecured "deficiency" claims as to the difference. The U.S. Bankruptcy Code does not permit the payment or accrual of interest, costs, expenses and attorneys' fees for such undersecured claims during the debtor's bankruptcy case. As a result, bankruptcy laws may act to limit the holders of the Notes' ability to realize upon the collateral and to limit their ability to receive post-bankruptcy interest, fees or expenses or "adequate protection" with respect to any unsecured portion of the Notes.

In addition, the First Lien Intercreditor Agreement will impose certain limitations on the ability of the holders of the Notes to object to a proposed debtor-in-possession financing or use of cash collateral (assuming certain protections and other requirements are in place with respect to their liens on the collateral in connection therewith) unless the authorized agent for the lenders under the CEI Credit Facilities opposes or objects thereto. See "*Description of Notes—First Lien Intercreditor Agreement*."

In the event of a bankruptcy of the Issuer or any of the Subsidiary Guarantors, holders of the Notes may be deemed to have an unsecured claim to the extent that our obligations in respect of the Notes and all of our other obligations secured by the collateral exceed the value of the collateral available to secure the Notes and such other obligations.

No appraisal of the collateral securing the Notes has been made in connection with this offering and the value of the collateral will depend on market and economic conditions, the availability of buyers and other factors. The book value of the collateral should not be relied on as a measure of realizable value for such assets. We cannot assure you of the value of the collateral or that the net proceeds received upon a sale of the collateral would be sufficient to repay all, or would not be substantially less than, amounts due on the Notes and other first-priority lien obligations following a foreclosure upon the collateral (and any payments in respect of prior liens) or a liquidation of our assets or the assets of the Subsidiary Guarantors that may grant these security interests.

In any bankruptcy case with respect to the Issuer or any of the Subsidiary Guarantors, it is possible that a bankruptcy trustee (if one were to be appointed), the debtor-in-possession, any official committee of unsecured creditors appointed in such bankruptcy case or any unsecured creditors, as applicable, will assert that the value of the collateral securing the Notes and all of our other obligations secured by the collateral is less than the principal and

other amounts outstanding under the Notes and such other obligations. Upon a finding by the bankruptcy court that the Notes are under-collateralized, the claims in the bankruptcy case with respect to the Notes would be bifurcated between secured claims up to the value of the collateral securing the Notes and an unsecured claim for any deficiency.

In the event of a liquidation or foreclosure, the value of the collateral securing the Notes is subject to fluctuations based on factors that include general economic conditions, the actual fair market value of the collateral at such time, the timing and the manner of the sale and the availability of buyers and similar factors. The value of the assets pledged as collateral for the Notes also could be impaired in the future as a result of our failure to implement our business strategy, competition or other future trends. In addition, courts could limit recoverability with respect to the collateral if they apply certain laws to a proceeding and deem a portion of the interest claim usurious in violation of applicable public policy. By its nature, some or all of the collateral may be illiquid and may have no readily ascertainable market value.

Likewise, we cannot assure you that the collateral will be saleable or, if saleable, that there will not be substantial delays in its liquidation. A portion of the collateral may include assets that may only be usable, and thus retain value, as part of our existing operating business. Accordingly, any such sale of the collateral separate from the sale of certain of our operating businesses may not be feasible or of significant value. To the extent that liens, rights and easements granted to third parties encumber assets located on property owned by us or the Subsidiary Guarantors or constitute senior, pari passu or subordinate liens on the collateral, those third parties have or may exercise rights and remedies with respect to the property subject to such encumbrances (including rights to require marshalling of assets) that could adversely affect the value of the collateral located at a particular site and the ability of the Notes Trustee to realize or foreclose on the collateral at that site. Other consequences of a finding of under-collateralization would include, among other things, (i) a lack of entitlement on the part of the Notes to receive post-petition interest, fees, costs and expenses otherwise payable under the Notes and (ii) a lack of entitlement to receive "adequate protection" under federal bankruptcy laws, in each case, with respect to the unsecured portion of the Notes. In addition, if any payments of post-petition interest, fees, costs and expenses or other amounts had been made on account of the Notes at or before the time of such a finding of under-collateralization, those payments could be recharacterized by the bankruptcy court as a reduction of the principal amount of the Notes. For these purposes, the value of any collateral that the collateral trustee does not have a perfected security interest in will be zero.

Lien searches may not reveal all liens on the collateral. In addition, lien searches on some collateral will not be conducted.

We cannot guarantee that the lien searches on the collateral that will secure the Notes and any related guarantees will reveal any or all existing liens on such collateral. If conducted, such lien searches could reveal existing liens on such portion of the collateral. Any such existing lien, including undiscovered liens, could be significant, could be prior in ranking to the liens securing the Notes and guarantees thereof and could have an adverse effect on the ability of the Collateral Agent to realize or foreclose upon the collateral securing the Notes and any guarantees thereof.

The collateral is subject to casualty risk.

Even if we maintain insurance, there are certain losses that may be either uninsurable or not economically insurable, in whole or part. Insurance proceeds may not compensate us fully for our losses. If there is a complete or partial loss of any collateral securing the Notes, the insurance proceeds may not be sufficient to satisfy all of our obligations, including the Notes and related guarantees.

Any future pledge of collateral or guarantee might be avoidable in bankruptcy.

Any security interests or guarantees issued after the issue date of the Notes may be treated under bankruptcy law as if they were delivered to secure or guarantee previously existing indebtedness. Accordingly, any future pledge of collateral or future issuance of a guarantee in favor of the Collateral Agent, the Notes Trustee or the holders of the Notes, including pursuant to security documents or guarantees delivered in connection therewith after the date of the Indenture, as amended and supplemented from time to time, might be avoidable by the pledgor or guarantor (as debtor-in-possession) or by its trustee in bankruptcy as a preference or otherwise if certain events or circumstances exist or occur, including, among others, if (i) the pledgor or guarantor is insolvent at the time of the pledge or the issuance of the guarantee, (ii) the pledge or the issuance of the guarantee permits the holders of the Notes to receive a greater recovery than they would receive if the pledge or guarantee had not been given and the pledgor or guarantor were

liquidated under a hypothetical case under Chapter 7 of the U.S. Bankruptcy Code and (iii) a bankruptcy proceeding in respect of the pledgor or guarantor is commenced within 90 days following the pledge or the perfection thereof or the issuance of the guarantee (as applicable), or, in certain circumstances, one year. Accordingly, if we or any Subsidiary Guarantor were to file for bankruptcy protection after the issue date of the Notes and (1) any liens not granted on the issue date of the Notes were perfected or (2) any guarantees not issued on the issue date of the Notes (as applicable) were issued, within 90 days (or potentially one year for any "insiders") before the commencement of such bankruptcy case, such liens or guarantees would be more likely to be avoided as a preference by the bankruptcy court than if delivered and promptly recorded on the issue date of the Notes (even if the liens perfected or other guarantees issued on the issue date of the Notes would no longer be subject to such risk). To the extent that the grant of any such mortgage or other security interest and/or guarantee is avoided as a preference or otherwise, holders of the Notes would lose the benefit of the mortgage or security interest and/or guarantee (as applicable).

The Notes or the guarantees may not be enforceable because of fraudulent conveyance or fraudulent transfer laws and, as a result, you may be required to return payments received by you in respect of the Notes or the guarantees.

Our issuance of the Notes or the incurrence of the guarantees by our guarantors (including any future guarantees) may be subject to review under the U.S. Bankruptcy Code or relevant state fraudulent conveyance or fraudulent transfer laws if a bankruptcy case or lawsuit is commenced by or on behalf of the Issuer or the guarantors of the Notes or our or their unpaid creditors. Under these laws, if in such a case or lawsuit a court were to find that, at the time the Issuer issued the Notes or such guarantor incurred a guarantee of the Notes, the Issuer or such guarantor:

- issued the Notes or incurred the guarantee of the Notes with the intent of hindering, delaying or defrauding current or future creditors;
- received less than reasonably equivalent value or fair consideration for issuing the Notes or incurring the guarantee;
- was insolvent or was rendered insolvent;
- was engaged, or about to engage, in a business or transaction for which its remaining assets constituted unreasonably small capital to carry on its business; or
- intended to incur, or believed that it would incur, debts and obligations beyond its ability to pay as such debts and obligations matured (as all of the foregoing terms are defined in or interpreted under the relevant fraudulent conveyance or fraudulent transfer statutes);

then such court could avoid the Notes or the guarantee of such guarantor or subordinate the amounts owing under the Notes or such guarantee to the Issuer's or such guarantor's presently-existing or future debt, or take other action detrimental to you.

As a general matter, value is given for a transfer or an obligation if, in exchange for the transfer or obligation, property is transferred or a valid antecedent debt is satisfied. A legal challenge to the Notes or a guarantee on fraudulent conveyance or fraudulent transfer grounds may focus on the benefits, if any, realized by us or the guarantors as a result of the issuance of the guarantees. Specifically, a court would likely find that a guarantor did not receive reasonably equivalent value or fair consideration for its guarantee if the guarantor did not substantially benefit directly or indirectly from the issuance of the Notes. Thus, it may be asserted (and a court may consequently determine) that the guarantors incurred their guarantees for our benefit and did not themselves receive a direct or indirect benefit from the issuance of the Notes, such that they incurred the obligations under the guarantees for less than reasonably equivalent value or fair consideration.

The measure of insolvency for purposes of the foregoing considerations will vary depending upon the law of the jurisdiction that is being applied. Generally, a company would be considered insolvent if, at the time it incurred the debt or issued the guarantee:

- the sum of its debts (including contingent liabilities) is greater than its assets, at fair valuation;

- the present fair saleable value of its assets is less than the amount required to pay the probable liability on its total existing debts and liabilities (including contingent liabilities) as they become absolute and matured; or

- it could not pay its debts as they became due.

We have discretion under the CEI Credit Facilities to release certain of our subsidiaries from their obligations under their guarantees and security documents in favor of the lenders. Subsidiaries that no longer guarantee or provide security interests in favor of the lenders under the CEI Credit Facilities will be released from their guarantee of the Notes and will not provide collateral for the Notes. We may release guarantees and collateral under other circumstances.

Under the CEI Credit Facilities, we may release any subsidiary from its obligations as a Subsidiary Guarantor and security provider upon the occurrence of certain events described in the CEI Credit Agreement. If we release a subsidiary from its guarantee and security obligations under the CEI Credit Facilities (other than in connection with the discharge thereof), any guarantee of the Notes by such subsidiary or any of its subsidiaries in favor of the Notes will be automatically released as well without consent of holders of the Notes or the Notes Trustee and any liens on any collateral owned by such subsidiary or any of its subsidiaries granted by such subsidiary in favor of the Notes will be automatically released as well without consent of holders of the Notes or the Notes Trustee. You will not have a claim as a creditor against any subsidiary that is no longer a Subsidiary Guarantor of the Notes, and the indebtedness and other liabilities, including trade payables, whether secured or unsecured, of those subsidiaries will effectively be senior to claims of noteholders.

The circumstances where the guarantee of any Subsidiary Guarantor may be released, include, among others, in connection with a sale of such Subsidiary Guarantor in a transaction not prohibited by the Indenture or if we designate one or more of our Subsidiary Guarantors as an immaterial subsidiary, an unrestricted subsidiary or a qualified non-recourse debt subsidiary. If we designate a subsidiary as an immaterial subsidiary, an unrestricted subsidiary or a qualified non-recourse debt subsidiary, all of the liens on any collateral owned by such subsidiary or any of its subsidiaries securing the Notes and any guarantees of the Notes by such subsidiary or any of its subsidiaries will be released under the Indenture. Designation as an immaterial subsidiary, an unrestricted subsidiary or a qualified non-recourse debt subsidiary will reduce the aggregate value of the collateral securing the Notes to the extent that liens on the assets of the immaterial subsidiary, an unrestricted subsidiary or a qualified non-recourse debt subsidiary and its subsidiaries are released. In addition, the creditors of the immaterial subsidiary, an unrestricted subsidiary or a qualified non-recourse debt subsidiary and its subsidiaries will have a senior claim on the assets of such immaterial subsidiary, an unrestricted subsidiary or a qualified non-recourse debt subsidiary.

The value of any released collateral and income and cash flow of released Subsidiary Guarantors could be significant and there can be no assurance that the value of the remaining collateral (if any) and income and cash flow of the Issuer and the remaining Subsidiary Guarantors would be sufficient to satisfy all obligations owed by us to holders of the Notes and the holders of any additional indebtedness that has a claim on such collateral or such Subsidiary Guarantors, as applicable, including the lenders under the CEI Credit Facilities and the holders of the 2025 Secured Notes and the holders of the 2030 Secured Notes. See "*Description of Notes—Release of Collateral*."

There are circumstances other than repayment or discharge of the Notes under which the collateral for the Notes could be released automatically without the consent of the Notes Trustee or the holders of the Notes, which could be adverse to the holders of the Notes. Under various circumstances, all or a portion of the collateral for the Notes may be released, including (among others):

- to enable the sale, transfer or other disposition of such property or assets or any subsidiary holding such property or assets (other than any such sale, transfer or other disposition to the Issuer or a Subsidiary Guarantor) to the extent permitted under the Indenture;

- in respect of the property and assets of a Subsidiary Guarantor, upon the designation of such Subsidiary Guarantor to be an unrestricted subsidiary in accordance with the Indenture; and

- as permitted under the First Lien Intercreditor Agreement.

Such release of the collateral for the Notes will not require the consent of holders of the Notes or the consent of the Notes Trustee or the Collateral Agent. The aggregate value of the collateral that will secure the Notes will be reduced to the extent of the value of the released collateral.

We may not be able to repurchase the Notes upon a change of control or pursuant to an asset sale offer, which would result in a default under the Indenture and would adversely affect our business and financial condition. Holders of the Notes may not be able to determine when a change of control giving rise to their right to have the Notes repurchased under a change of control has occurred following a sale of "substantially all" of our assets.

Upon a change of control, as defined under the Indenture, the holders of the Notes will have the right to require us to offer to purchase all of the Notes then outstanding at a price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to, but excluding, the change of control date. The source of funds for any such purchase of the Notes will be our available cash or cash generated from operations or other sources, including borrowings, sales of assets or sales of equity. We may not be able to repurchase the Notes upon a change of control because we may not have sufficient financial resources, including the ability to arrange necessary financing on acceptable terms or at all, to purchase all of the Notes that are tendered upon a change of control. Our failure to offer to purchase all outstanding Notes or to purchase all validly tendered Notes would be an event of default under the Indenture. Such an event of default may cause the acceleration of our other debt. Our other debt also may contain restrictions on repayment requirements with respect to specified events or transactions that constitute a change of control under the Indenture.

Certain important corporate events, such as leveraged recapitalizations, may not, under the Indenture, constitute a "change of control" that would require us to repurchase the Notes, notwithstanding the fact that such corporate events could increase the level of our indebtedness or otherwise adversely affect our capital structure, credit ratings or the value of the Notes. In addition, the definition of "Change of Control" in the Indenture includes a phrase relating to the sale of "all or substantially all" of our assets. There is no precise established definition of the phrase "substantially all" under applicable law. Accordingly, the ability of a holder of the Notes to require us to repurchase its Notes as a result of a sale of less than all our assets to another person may be uncertain. See "*Description of Notes—Change of Control*."

In addition, in certain circumstances specified in the Indenture, we will be required to offer to purchase a principal amount of the Notes equal to the net cash proceeds from certain asset sales to the extent not invested in our business or used to pay down certain debt. We cannot assure you that we will be capable of paying the purchase price in respect of any such offer at the time require. Our other debt may contain restrictions that would limit or prohibit us from completing any such offer. Our failure to purchase any such Notes when required under the Indenture would be an event of default under the Indenture.

You may be required to sell your Notes if any gaming authority finds you unsuitable to hold them.

The current policies of the Nevada Gaming Commission, the Louisiana Gaming Control Board and other applicable gaming regulatory agencies and authorities do not require you to be licensed or found suitable in order to own any Notes. However, the policy of any of these agencies could change. In the event that any of these regulatory agencies or authorities require you, as a holder of the Notes, to be licensed, qualified or found suitable under Nevada, Louisiana and other applicable gaming laws, you will be required to submit an application for a license, qualification or a finding of suitability in accordance with such applicable gaming laws. If you are unable or unwilling to obtain such license, qualification or finding of suitability, such agencies and authorities may not grant us a license or, if already granted, may suspend or revoke our licenses unless we terminate our relationship with you. Under these circumstances, we would be permitted to require you to dispose of your Notes within a time period that either we prescribe or such other time period prescribed by the applicable gaming authority, or redeem your Notes. Under such circumstances, the redemption price would be the lesser of your cost for the Notes and the principal amount thereof, or such other amount as is required by applicable gaming authorities. See "*Description of Notes—Mandatory Disposition Pursuant to Gaming Laws*."

There are restrictions on your ability to transfer or resell the Notes under applicable securities laws.

The Notes have not been registered under the Securities Act or any state securities laws and, unless so registered, may not be re-offered or re-sold except pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws. We do not intend to register the Notes under the Securities Act or to offer to exchange the Notes for notes that have been registered under the Securities Act in an exchange offer. As a result, for so long as the Notes remain outstanding, they may be transferred or re-sold only in transactions exempt from the securities registration requirements of federal and applicable state laws, and you may be required to bear the risk of your investment for an indefinite period of time. By purchasing the Notes, you will be deemed to have made certain acknowledgements, representations and agreements as set forth under "*Notice to Investors*." We cannot assure you that any such exemption will be available to holders of the Notes, and if any such exemption is not available, holders of the Notes will not be able to transfer or resell their Notes. See "*Notice to Investors*."

An active trading market may not develop for the Notes, which would limit your ability to resell.

The Notes are new issues of securities for which there is no active public trading market. We have been informed by certain of the initial purchasers that they presently intend to make a market in the Notes after this offering of the Notes is completed. However, the initial purchasers may cease their market-making at any time without notice. The Notes are not registered under the Securities Act and are being offered and sold only to qualified institutional buyers in the United States and to non-U.S. persons outside the United States in accordance with applicable securities laws. We do not intend to apply for listing of the Notes on any U.S. securities exchange or for quotation through an automated dealer quotation system. The liquidity of the trading market in the Notes and the market prices quoted for the Notes may be adversely affected by changes in the overall market for this type of securities and by changes in our financial performance or prospects or in the prospects for companies in our industry generally. As a consequence, an active trading market may not develop for the Notes, you may not be able to sell the Notes, or, even if you can sell the Notes, you may not be able to sell them at an acceptable price.

Even if an active trading market for the Notes does develop, there is no guarantee that it will continue. The market, if any, for the Notes may experience disruptions caused by substantial volatility in the prices of the Notes, and any such disruptions may adversely affect the liquidity in that market or the prices at which you may sell your Notes. In addition, subsequent to their initial issuance, the Notes may trade at a discount from their initial offering price, depending upon prevailing interest rates, the market for similar notes, our performance and other factors.

Volatile trading prices may require you to hold the Notes for an indefinite period of time.

If a market develops for the Notes, the applicable Notes may trade at prices higher or lower than their initial offering price. The trading price would depend on many factors, such as prevailing interest rates, the market for similar securities, general economic conditions and our financial condition, performance and prospects. Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial fluctuation in the prices of these securities. Disruptions of this type could have an adverse effect on the price of the Notes. You should be aware that you may be required to bear the financial risk of an investment in the Notes for an indefinite period of time.

Our credit ratings may not reflect all risks of your investment in the Notes.

The credit ratings assigned to the Notes are limited in scope and do not address all material risks relating to an investment in the Notes but rather reflect only the view of each rating agency at the time the rating is issued. The credit rating agencies also evaluate our industry and may change their credit rating for us based on their overall view of our industry. There can be no assurance that the credit ratings assigned to the Notes will remain in effect for any given period of time or that a rating will not be lowered, suspended or withdrawn entirely by the applicable rating agency if, in such rating agency's judgment, circumstances so warrant. Credit ratings are not a recommendation to buy, sell or hold any security. Each agency's rating should be evaluated independently of any other agency's rating. Actual or anticipated changes or downgrades in our credit ratings, including any announcement that our ratings are under further review for a downgrade, could affect the market value of the Notes and increase our corporate borrowing costs.

Many of the covenants in the Indenture will not apply during any period in which the Notes are rated investment grade by two Ratings Agencies and no default or event of default has occurred and is continuing under the Indenture.

Many of the covenants in the Indenture will not apply to us during any period in which the Notes are rated investment grade by two of the Ratings Agencies, *provided* at such time no default or event of default has occurred and is continuing. These covenants restrict among other things, our ability to pay distributions, incur debt and to enter into certain other transactions. There can be no assurance that the Notes will ever be rated investment grade, or that if they are rated investment grade, that the Notes will maintain these ratings. However, suspension of these covenants would allow us to incur debt, pay dividends and make other distributions and engage in certain other transactions that are not permitted while these covenants are in force. To the extent the covenants are subsequently reinstated in the event that a Ratings Agency withdraws its rating below the required investment grade rating, any such actions taken while the covenants were suspended would not result in an event of default under the Indenture. See "*Description of Other Indebtedness—2025 Secured Notes—Restrictive covenants and other matters*", "*Description of Other Indebtedness—2030 Secured Notes—Restrictive covenants and other matters*" and "*Description of Notes—Certain Covenants*."

We are not providing all of the information that would be required if this offering of the Notes were being registered with the SEC.

This Offering Memorandum does not include all of the information that would be required if we were registering this offering of the Notes with the SEC. Among other things, we have not included information regarding our executive compensation policies and practices. This lack of information could impair your ability to evaluate your investment in the Notes. We cannot assure you that our historical financial information as set forth in this Offering Memorandum will be indicative of our future financial performance or our ability to meet our obligations, including repayment of the Notes.

USE OF PROCEEDS

We estimate that the net proceeds from this offering of the Notes will be approximately $ million after payment of the initial purchasers' discount and estimated expenses payable by us. The net proceeds from the sale of the Notes to the initial purchasers will be used, together with the net proceeds of the CEI Term B-1 Loans, (x) to (a) tender, redeem, repurchase, defease or satisfy and discharge any and all of the 2025 Secured Notes, pursuant to the Tender Offer and the 2025 Secured Notes Redemption (if any), together with all accrued interest, fees and premiums thereon, and (b) pay fees and expenses in connection with the Transactions, and (y) if there are any remaining proceeds, for general corporate purposes, including, without limitation, to potentially repay certain outstanding indebtedness of the Issuer or any of its subsidiaries. See "*Summary—Recent Developments—Refinancing Transactions*."

Nothing in this Offering Memorandum shall be construed as an offer to purchase, or an obligation to purchase, any of the 2025 Secured Notes. As of the date of this Offering Memorandum, there is $3,399 million aggregate principal amount of 2025 Secured Notes outstanding, and after giving effect to the Transactions, we expect that none of the 2025 Secured Notes will remain outstanding. We cannot assure you that the Tender Offer and/or the 2025 Secured Notes Redemption (if any) will be completed in accordance with its terms, or at all, or that any minimum amount of debt securities will be redeemed or repurchased, as applicable, pursuant thereto. To the extent we do not have sufficient funds available to tender, redeem, repurchase, defease or satisfy and discharge in full all of the 2025 Secured Notes, a portion of such indebtedness will remain outstanding.

Certain of the initial purchasers and/or their respective affiliates may be holders of the 2025 Secured Notes that will be purchased as part of this offering and, as a result of the contemplated use of proceeds from this offering of the Notes to finance the Tender Offer and the 2025 Secured Notes Redemption (if any), such initial purchasers and/or such respective affiliates, in their capacities as holders of the 2025 Secured Notes, may receive a portion of the proceeds from this offering of the Notes. See "*Plan of Distribution—Certain Relationships*."

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization, as of September 30, 2023, (i) on a historical and consolidated basis, and (ii) on an as adjusted basis to give effect to the Transactions.

The unaudited information set forth below should be read in conjunction with "*Use of Proceeds*" elsewhere in this Offering Memorandum and the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the condensed consolidated financial statements and related notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and our Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2023, June 30, 2023 and September 30, 2023, which are incorporated by reference in this Offering Memorandum. Unless otherwise disclosed below, the following table does not give effect to the capitalization of debt issuance costs.

	September 30, 2023	
	Actual	As adjusted
	(unaudited, dollars in millions)	
Cash and cash equivalents[1]	$ 841	$ 880
Secured Debt:		
CEI Revolving Credit Facility[2]	—	—
CEI Term A Loan	722	722
CEI Term B Loan	2,487	2,487
CEI Term B-1 Loan[3]	—	2,000
CRC Secured Notes	989	989
2025 Secured Notes[4]	3,399	—
2030 Secured Notes	2,000	2,000
Notes offered hereby	—	1,500
Unsecured Debt:		
2027 Notes	1,611	1,611
2029 Notes	1,200	1,200
Special Improvement District Bonds	45	45
Long-term notes and other payable	2	2
Total Debt	12,455	12,556
Stockholders' equity:		
Common stock, 500,000,000 shares authorized, 215,633,348 issued and outstanding, par value $0.00001, actual, and as adjusted	—	—
Paid-in capital	6,981	6,981
Accumulated deficit[5]	(2,451)	(2,493)
Treasury stock at cost, 223,823 shares held at September 30, 2023	(23)	(23)
Accumulated other comprehensive income	97	97
Noncontrolling interests	138	138
Total stockholders' equity	4,742	4,700
Total capitalization	17,197	17,256

(1) Reflects, on an as adjusted basis, that, following the consummation of the Transactions, we expect there to be $39 million of excess proceeds remaining as available cash on hand.

(2) As of September 30, 2023, on an actual basis, and on as adjusted basis, we had no outstanding borrowings and $2.1 billion of available borrowing capacity under the CEI Revolving Credit Facility, after consideration of $71 million in outstanding letters of credit, $46 million committed for regulatory purposes and $40 million in other reserves which is only available for certain permitted uses.

(3) Reflects, on an as adjusted basis, the borrowings under the CEI Term B-1 Loans, expected to be incurred under the CEI Credit Agreement concurrently with the completion of this offering of the Notes. See "*Summary—Recent Developments—Refinancing Transactions—CEI Credit Agreement Amendment*." The final terms and final size of the CEI Term B-1 Loans have not been finalized and are subject to change and any such differences may be significant. See "*Description of Other Indebtedness*."

(4) As of September 30, 2023, as adjusted to give effect to the Transactions (and assuming that the full $3,399 million of the 2025 Secured Notes is repurchased pursuant thereto), we would expect to have no 2025 Secured Notes that remain outstanding thereafter; *provided*, *however*, that any decrease in the aggregate amount of the 2025 Secured Notes that are validly tendered (and not validly withdrawn) pursuant to the Tender Offer prior to the Expiration Date will result in a dollar-to-dollar increase in the aggregate principal amount of the 2025 Secured Notes that remain outstanding thereafter, and, in such event, we would subsequently issue a notice of redemption pursuant to the 2025 Secured Notes Redemption to redeem all such 2025 Secured Notes that remain outstanding thereafter on or about July 1, 2024 at the redemption price, expressed as a percentage of principal amount, of 100.000% plus accrued and unpaid interest thereon to the redemption date. See "*Summary—Recent Developments—Tender Offer and any 2025 Secured Notes Redemption*."

(5) On an as adjusted basis, the accumulated deficit reflects the estimated $42 million loss on extinguishment charge from the Tender Offer and the 2025 Secured Notes Redemption (if any).

DESCRIPTION OF OTHER INDEBTEDNESS

The following is a summary of certain provisions of our outstanding indebtedness following the consummation of the Transactions. This summary does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all of the provisions of the agreements, including the definitions of certain terms therein that are not otherwise defined in this Offering Memorandum. As the final terms and final size of the CEI Term B-1 Loans have not been finalized, the final terms and the final amount of the CEI Term B-1 Loans may differ from those terms set forth herein and any such differences may be significant. The closing of the CEI Term B-1 Facility is not a condition to the closing of this offering, and the closing of this offering is not a condition to the closing of the CEI Term B-1 Facility.

2025 Secured Notes

Overview. On July 6, 2020, Colt Merger Sub, Inc., a Delaware corporation and our wholly-owned subsidiary ("Colt Merger Sub"), issued $3.4 billion aggregate principal amount of 6.250% Senior Secured Notes due 2025 (the "2025 Secured Notes") pursuant to an indenture, dated as of July 6, 2020 (the "2025 Secured Indenture"), between Colt Merger Sub and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as trustee, and U.S. Bank National Association, as collateral agent. On July 20, 2020, we assumed the rights and obligations under the 2025 Secured Notes and the 2025 Secured Indenture.

Interest and fees. Interest on the 2025 Secured Notes is paid every six months on January 1 and July 1 of each year.

Optional and regulatory redemption. We may redeem all or a portion of the 2025 Secured Notes upon not less than 10 nor more than 60 days' notice, at the redemption prices (expressed as percentages of the principal amount) set forth below plus accrued and unpaid interest if any, on the 2025 Secured Notes redeemed, to, but excluding, the applicable redemption date, if redeemed during the 12-month period beginning on July 1 of the years indicated below.

Year	Percentage
2023	101.563%
2024 and thereafter	100.000%

The 2025 Secured Notes are subject to redemption and disposition requirements imposed by gaming laws and regulations of the States of Nevada and Louisiana and other gaming authorities that have jurisdiction over our gaming activities or those of our partners or their respective parents or other affiliates.

Collateral and guarantors. The 2025 Secured Notes are senior secured indebtedness of the Company and are guaranteed by certain of our subsidiaries, ranking equally with all of our and our guarantors' existing and future first-priority lien obligations, including indebtedness under the CEI Credit Facilities, the 2030 Secured Notes and the Notes, to the extent of the value of the assets securing the 2025 Secured Notes, and are structurally subordinated in right of payment to all existing and future indebtedness and other liabilities (including trade payables) of our subsidiaries that do not guarantee the 2025 Secured Notes, including, without limitation, the indebtedness under the CRC Secured Notes.

The collateral securing the 2025 Secured Notes is substantially all of our and our Subsidiary Guarantors' property and assets that secure the CEI Credit Facilities, which excludes: (i) certain real property and vessels, (ii) motor vehicles and other assets subject to certificates of title, (iii) certain excluded accounts and the funds held therein, (iv) subject to limited exceptions, any assets or any right, title or interest in any lease, license or agreement to the extent that taking a security interest in any of them would violate any applicable law or regulation (including gaming regulations) or any enforceable contractual obligation binding on the assets or would violate or invalidate the terms of any such lease, license or agreement, (v) until the CRC Secured Indenture is not in effect (unless sooner elected by us), the equity interests in CRC and its subsidiaries and (vi) certain other customary exclusions.

Restrictive covenants and other matters. The 2025 Secured Indenture contains covenants which are standard and customary for these types of agreements. These include negative covenants, which, subject to certain exceptions

and baskets, limit our ability and certain of our subsidiaries to (among other items) incur additional indebtedness, make investments, make restricted payments, including dividends, grant liens, sell assets and make acquisitions.

Upon the consummation of the Tender Offer and the 2025 Secured Notes Redemption (if any) using the net proceeds from this offering and the net proceeds of the CEI Term B-1 Loans, we expect to have no 2025 Secured Notes that remain outstanding. See "*Summary—Recent Developments—Tender Offer and any 2025 Secured Notes Redemption*," "*Use of Proceeds*" and "*Capitalization*."

2030 Secured Notes

Overview. On February 6, 2023, we issued $2.0 billion aggregate principal amount of 7.00% Senior Secured Notes due 2030 (the "2030 Secured Notes") pursuant to an indenture, dated as of February 6, 2023 (the "2030 Secured Indenture"), among the Company, the subsidiary guarantors party thereto, U.S. Bank Trust Company, National Association, as trustee, and U.S. Bank National Association, as collateral agent.

Interest and fees. Interest on the 2030 Secured Notes is paid every six months on February 15 and August 15 of each year.

Optional and regulatory redemption. On or after February 15, 2026, we may redeem all or a portion of the 2030 Secured Notes upon not less than 10 nor more than 60 days' notice, at the redemption price (expressed as a percentage of the principal amount) set forth below plus accrued and unpaid interest if any, on the 2030 Secured Notes redeemed, to, but excluding, the applicable redemption date, if redeemed during the 12-month period beginning on February 15 of the years indicated below.

Year	Percentage
2026	103.500%
2027	101.750%
2028 and thereafter	100.000%

The 2030 Secured Notes are subject to redemption and disposition requirements imposed by gaming laws and regulations of the States of Nevada and Louisiana and other gaming authorities that have jurisdiction over our gaming activities or those of our partners or their respective parents or other affiliates.

Collateral and guarantors. The 2030 Secured Notes are senior secured indebtedness of the Company and are guaranteed by certain of our subsidiaries, ranking equally with all of our and our guarantors' existing and future first-priority lien obligations, including indebtedness under the CEI Credit Facilities, the 2025 Secured Notes (if any) and the Notes, to the extent of the value of the assets securing the 2030 Secured Notes, and are structurally subordinated in right of payment to all existing and future indebtedness and other liabilities (including trade payables) of our subsidiaries that do not guarantee the 2030 Secured Notes.

The collateral securing the 2030 Secured Notes is substantially all of our and our Subsidiary Guarantors' property and assets that secure the CEI Credit Facilities, which excludes: (i) certain real property and vessels, (ii) motor vehicles and other assets subject to certificates of title, (iii) certain excluded accounts and the funds held therein, (iv) subject to limited exceptions, any assets or any right, title or interest in any lease, license or agreement to the extent that taking a security interest in any of them would violate any applicable law or regulation (including gaming regulations) or any enforceable contractual obligation binding on the assets or would violate or invalidate the terms of any such lease, license or agreement, (v) until the CRC Secured Indenture is not in effect (unless sooner elected by us), the equity interests in CRC and its subsidiaries and (vi) certain other customary exclusions.

Restrictive covenants and other matters. The 2030 Secured Indenture contains covenants which are standard and customary for these types of agreements. These include negative covenants, which, subject to certain exceptions and baskets, limit our ability and certain of our subsidiaries to (among other items) incur additional indebtedness, make investments, make restricted payments, including dividends, grant liens, sell assets and make acquisitions.

2027 Notes

Overview. On July 6, 2020, Colt Merger Sub issued $1.8 billion aggregate principal amount of 8.125% Senior Notes due 2027 (the "2027 Notes") pursuant to an indenture dated as of July 6, 2020 (the "2027 Indenture"), between Colt Merger Sub and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as trustee. On July 20, 2020, we assumed the rights and obligations under the 2027 Notes and the 2027 Indenture.

Interest and fees. Interest on the 2027 Notes is paid every six months on January 1 and July 1 of each year.

Optional and regulatory redemption. We may redeem all or a portion of the 2027 Notes upon not less than 10 nor more than 60 days' notice, at the redemption prices (expressed as percentages of the principal amount) set forth below plus accrued and unpaid interest, if any, on the 2027 Notes redeemed, to, but excluding, the applicable redemption date, if redeemed during the 12-month period beginning on July 1 of the years indicated below:

Year	Percentage
2023	104.063%
2024	102.031%
2025 and thereafter	100.000%

The 2027 Notes are subject to redemption and disposition requirements imposed by gaming laws and regulations of the States of Nevada and Louisiana and other gaming authorities that have jurisdiction over our gaming activities or those of our partners or their respective parents or other affiliates.

Restrictive covenants and other matters. The 2027 Indenture contains covenants which are standard and customary for these types of agreements. These include negative covenants, which, subject to certain exceptions and baskets, limit our ability and certain of our subsidiaries to (among other items) incur additional indebtedness, make investments, make restricted payments, including dividends, grant liens, sell assets and make acquisitions.

CRC Secured Notes

Overview. On July 6, 2020, Colt Merger Sub issued $1.0 billion aggregate principal amount of 5.750% Senior Secured Notes due 2025 (the "CRC Secured Notes") pursuant to an indenture, dated as of July 6, 2020 (the "CRC Secured Indenture") between Colt Merger Sub, U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as trustee, and U.S. Bank National Association (as successor in interest to Credit Suisse AG, Cayman Islands Branch), as collateral agent. On July 20, 2020, CRC and CRC Finco, Inc. ("Finco") assumed the rights and obligations under the CRC Secured Notes and the CRC Secured Indenture.

Interest and fees. Interest on the CRC Secured Notes is paid every six months on January 1 and July 1 of each year.

Optional and regulatory redemption. We may redeem all or a portion of the CRC Secured Notes upon not less than 10 nor more than 60 days' notice, at the redemption prices (expressed as percentages of the principal amount) set forth below plus accrued and unpaid interest, if any, on the CRC Secured Notes redeemed, to, but excluding, the applicable redemption date, if redeemed during the 12-month period beginning on July 1 of the years indicated below:

Year	Percentage
2023	101.438%
2024 and thereafter	100.000%

Collateral and guarantors. The CRC Secured Notes are senior secured indebtedness of CRC and Finco and are guaranteed by certain subsidiaries of CRC, ranking equally in right of payment with all existing and future senior indebtedness of CRC, Finco and its guarantors, will be senior in right of payment to all future debt that is expressly subordinated to all of the existing and future indebtedness of CRC, Finco and its guarantors, ranking effectively senior in right of payment to all senior indebtedness of CRC, Finco and its guarantors that is unsecured or that is secured by a lien ranking junior in priority to the liens securing the CRC Secured Notes and the guarantees thereof, in each case to the extent of the value of the assets securing the CRC Secured Notes and the guarantees thereof, and rank equally

with all of CRC's, Finco's and its guarantors' existing and future first-priority lien obligations, to the extent of the value of the assets securing the CRC Secured Notes. Additionally, the CRC Secured Notes are structurally subordinated in right of payment to all existing and future indebtedness and other liabilities (including trade payables) of CRC's subsidiaries that do not guarantee the CRC Secured Notes.

Restrictive covenants and other matters. The CRC Secured Notes contain covenants which are standard and customary for these types of agreements. These include negative covenants, which, subject to certain exceptions and baskets, limit the ability of CRC and certain of its subsidiaries to (among other items) incur additional indebtedness, make investments, make restricted payments, including dividends, grant liens, sell assets and make acquisitions.

On August 6, 2021, we agreed to fully and unconditionally guarantee on a senior unsecured basis the obligations of CRC and Finco under the CRC Secured Indenture and the CRC Secured Notes, including the due and punctual payment of interest on the CRC Secured Notes.

2029 Notes

Overview. On September 24, 2021, we issued $1.2 billion in aggregate principal amount of 4.625% Senior Notes due 2029 (the "2029 Notes") pursuant to an indenture dated as of September 24, 2021 among the Company, the subsidiary guarantors party thereto and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as trustee (the "2029 Indenture").

Interest and fees. Interest on the 2029 Notes is paid every six months on April 15 and October 15 of each year.

Optional and regulatory redemption. On or after October 15, 2024, we may redeem all or a portion of the 2029 Notes upon not less than 10 nor more than 60 days' notice, at the redemption prices (expressed as percentages of the principal amount) set forth below plus accrued and unpaid interest, if any, on the 2029 Notes redeemed, to, but excluding, the applicable redemption date, if redeemed during the 12-month period beginning on October 15 of the years indicated below:

Year	Percentage
2024	102.313%
2025	102.156%
2026 and thereafter	100.000%

The 2029 Notes are subject to redemption and disposition requirements imposed by gaming laws and regulations of the States of Nevada and Louisiana and other gaming authorities that have jurisdiction over our gaming activities or those of our partners or their respective parents or other affiliates.

Restrictive covenants and other matters. The 2029 Indenture contains covenants which are standard and customary for these types of agreements. These include negative covenants, which, subject to certain exceptions and baskets, limit our ability and certain of our subsidiaries to (among other items) incur additional indebtedness, make investments, make restricted payments, including dividends, grant liens, sell assets and make acquisitions.

CEI Credit Facilities

Overview. The CEI Credit Agreement provides, prior to giving effect to the CEI Credit Agreement Amendment, for (a) a senior secured term "A" loan in an original aggregate principal amount of $750 million (the "CEI Term A Loan"), (b) a senior secured term "B" loan in an original aggregate principal amount of $2,500 million (the "CEI Term B Loan") and (c) a senior secured revolving credit facility in an aggregate principal amount of up to $2,250 million, which includes a $388 million letter of credit sub-facility (the "CEI Revolving Credit Facility"). We expect to enter into the CEI Credit Agreement Amendment concurrently with the completion of this offering of the Notes, which is expected to, among other things, establish the CEI Term B-1 Facility in an aggregate principal amount of approximately $2.0 billion. The closing of the CEI Credit Agreement Amendment and the borrowing of the CEI Term B-1 Loans thereunder is not a condition to the closing of this offering.

The CEI Term A Loan and CEI Revolving Credit Facility (together, the "CEI Pro Rata Facilities") will mature on the earlier of (x) January 31, 2028 and (y) the date that is ninety-one (91) days prior to the earlier of (i) the maturity date of the 2025 Secured Notes, (ii) the maturity date of the 2027 Notes and (iii) the maturity date of the CRC Secured Notes, in each case of clauses (i) through (iii), solely to the extent any such indebtedness referred to in such clause remains outstanding on the date that is ninety-one (91) days prior to its maturity date. The CEI Term B Loan will mature on February 6, 2030. The CEI Term B-1 Loan is expected to mature on the seventh anniversary of the closing of the CEI Credit Agreement Amendment.

The CEI Credit Agreement allows us to request one or more incremental term loan facilities, incremental revolving credit facilities and/or increases to the CEI Term A Loan, the CEI Term B Loan, the CEI Term B-1 Loan or the CEI Revolving Credit Facility in an aggregate amount of up to the sum of (x) the greater of $2,600 million and 1.00 times EBITDA (as defined in the CEI Credit Agreement) plus (y) the amount of certain voluntary prepayments of indebtedness (including certain voluntary prepayments of CRC's indebtedness) plus (z) such additional amount so long as, (i) in the case of loans under additional debt facilities that are secured on a pari passu basis with the liens on the collateral securing the CEI Credit Facilities, our senior secured net leverage ratio on a pro forma basis would not exceed 4.50 to 1.00 or, if incurred in connection with a permitted acquisition or other permitted investment, the senior secured net leverage ratio immediately prior to the incurrence of such loans, (ii) in the case of loans under additional debt facilities that are secured on a junior basis to the liens on the collateral securing the CEI Credit Facilities, our total secured net leverage ratio on a pro forma basis would not exceed 4.75 to 1.00 or, if incurred in connection with a permitted acquisition or other permitted investment, the total secured net leverage ratio immediately prior to the incurrence of such loans and (iii) in the case of loans under additional debt facilities that are unsecured, our cash interest coverage ratio on a pro forma basis would not be less than 2.00 to 1.00 or, if incurred in connection with a permitted acquisition or other permitted investment, the cash interest coverage ratio immediately prior to the incurrence of such loans, in each case, subject to certain conditions and receipt of commitments by existing or additional financial institutions or institutional lenders.

All borrowings under the CEI Credit Facilities are subject to the satisfaction of customary conditions, including the absence of a default and the accuracy of representations and warranties subject to certain exceptions.

Interest and fees. Borrowings under the CEI Credit Facilities bear interest at a rate equal to, at our option, either (a) the forward-looking Secured Overnight Financing Rate term rate published two (2) U.S. government securities business days prior to the commencement of the applicable interest period plus (1) in the case of the CEI Pro Rata Facilities and the CEI Term B Loan, 0.10% and (2) in the case of the CEI Term B-1 Loan, a rate to be agreed ("Adjusted Term SOFR"), subject to a floor of (1) in the case of the CEI Pro Rata Facilities, 0%, (2) in the case of the CEI Term B Loan, 0.50% and (3) in the case of the CEI Term B-1 Loan, a rate to be agreed or (b) a base rate determined by reference to the highest of (i) the federal funds rate plus 0.50%, (ii) the rate of interest per annum last quoted by The Wall Street Journal as the "Prime Rate" in the United States and (iii) the one-month Adjusted Term SOFR rate plus 1.00%, in each case plus an applicable margin. Such applicable margin is (x) in the case of the CEI Pro Rata Facilities, 2.25% per annum in the case of any Adjusted Term SOFR loan and 1.25% per annum in the case of any base rate loan, subject to three 0.25% step-downs based on the Company's total net leverage ratio, (y) in the case of the CEI Term B Loan, 3.25% per annum in the case of any Adjusted Term SOFR loan and 2.25% per annum in the case of any base rate loan, subject to one 0.25% step-down based on the Company's total net leverage ratio and (z) in the case of the CEI Term B-1 Loan, a rate to be agreed. Additionally, the Company is required to pay a commitment fee in respect of any unused commitments under the CEI Revolving Credit Facility in the amount of 0.35% per annum of principal amount of the commitments of all lenders, subject to three 0.05% step-downs based on the Company's total net leverage ratio. The Company is also required to pay customary agency fees as well as letter of credit participation fees computed at a rate per annum equal to the applicable margin for Adjusted Term SOFR revolver borrowings on the dollar equivalent of the daily stated amount of outstanding letters of credit, plus such letter of credit issuer's customary documentary and processing fees and charges and a fronting fee in an amount equal to 0.125% per annum of the daily stated amount of such letter of credit.

Mandatory prepayments. The CEI Credit Agreement requires the Company to prepay outstanding term loans, subject to certain exceptions, with:

- with respect to the CEI Term B Loan and the CEI Term B-1 Loan only, 50% (which percentage will be reduced to 25% and 0% if the Company's senior secured net leverage ratio is less than or equal

to 2.90 to 1.00 and 2.40 to 1.00, respectively) of the Company's annual excess cash flow (as defined in the CEI Credit Agreement) to the extent such amount exceeds $15 million;

- 100% (which percentage will be reduced to 50% if the Company's senior secured net leverage ratio is less than or equal to 3.50 to 1.00 and to 0% if the Company's senior secured net leverage ratio is less than or equal to 3.00 to 1.00) of the net cash proceeds of certain non-ordinary course asset sales or certain casualty events, any Convention Center Unrestricted Subsidiary Sale or any Interactive Entertainment Unrestricted Subsidiary Sale (each as defined in the CEI Credit Agreement), in each case subject to certain exceptions and *provided* that (x) no net cash proceeds in any fiscal year shall be required to prepay outstanding term loans in such fiscal year until the aggregate amount of all such net cash proceeds in such fiscal year shall exceed $180 million (and thereafter only net cash proceeds in excess of such amount shall be required to prepay outstanding term loans), (y) no net cash proceeds realized in a single transaction or series of related transactions shall be required to prepay outstanding term loans unless such net cash proceeds shall exceed $25 million (and thereafter only net cash proceeds in excess of such amount shall (1) be included in the calculation of clause (x) of this proviso above and (2) be required to prepay outstanding term loans) and (z) instead of prepaying outstanding term loans with the net cash proceeds of certain non-ordinary course asset sales or certain casualty events, the Company may (a) reinvest such proceeds within 18 months of such receipt or (b) contractually commit to reinvest those proceeds within 18 months and so reinvest such proceeds prior to the termination of such contract in assets to be used in its business, or certain other permitted investments; and

- 100% of the net cash proceeds of any issuance or incurrence of debt, other than proceeds from debt permitted under the CEI Credit Agreement.

Collateral and guarantors. The CEI Credit Facilities are guaranteed by our domestic wholly-owned subsidiaries (subject to exceptions, which exceptions include, until the CRC Secured Indenture is not in effect (unless we sooner elect otherwise), CRC and its subsidiaries, as well as immaterial subsidiaries), and is secured by a pledge of substantially all of the existing and future property and assets of the Company and the guarantors, including a pledge of the capital stock of the wholly-owned domestic restricted subsidiaries held by us and the guarantors and 65% of the voting capital stock and 100% of the non-voting capital stock of the first-tier wholly-owned foreign restricted subsidiaries held by us and the guarantors, in each case subject to exceptions. Each of our and the guarantors' fee-owned real property and leasehold interests in real property with a fair market value in excess of a dollar threshold set forth in the CEI Credit Agreement and certain other properties are expected to be mortgaged under the CEI Credit Facilities.

Restrictive covenants and other matters. Except during a covenant suspension period as defined in the CEI Credit Agreement, the CEI Pro Rata Facilities require compliance on a quarterly basis with (a) a maximum total net leverage ratio test of 7.25 to 1.00, stepping down to 6.50 to 1.00 on December 31, 2024 and (b) a minimum cash interest coverage ratio of 1.75 to 1.00, stepping up to 2.00 to 1.00 on December 31, 2024; *provided* that, from and after the repayment in full of the CEI Term A Loans, the financial covenants will be tested only to the extent that on the last day of the applicable fiscal quarter the testing condition (which is defined under the CEI Credit Agreement as 25% utilization of the CEI Revolving Credit Facility excluding $170 million of undrawn letters of credit and any cash collateralized letters of credit) is satisfied. For purposes of determining compliance with such financial maintenance covenants for any fiscal quarter, we may exercise an equity cure by issuing certain permitted securities for cash or otherwise receiving cash contributions to our capital that will, upon our receipt of such cash, be included in the calculation of EBITDA for the purpose of such financial maintenance covenants. The equity cure right may not be exercised in more than two fiscal quarters during any period of four consecutive fiscal quarters or more than five fiscal quarters during the term of the CEI Credit Facilities. Under the CEI Credit Agreement, we may also be required to meet specified leverage ratios or cash interest coverage ratios in order to take certain actions, such as incurring certain debt or making certain acquisitions. In addition, the CEI Credit Facilities include negative covenants, subject to certain exceptions, restricting or limiting our ability and the ability of our restricted subsidiaries to, among other things: (i) make non-ordinary course dispositions of assets; (ii) participate in certain mergers and acquisitions; (iii) make dividends and stock repurchases and optional redemptions (and optional prepayments) of subordinated debt; (iv) incur indebtedness; (v) make certain loans and investments; (vi) create liens; (vii) transact with affiliates; (viii) change the business of the Company and its restricted subsidiaries; (ix) enter into sale/ leaseback transactions; (x) enter into

negative pledges or restrictions on the ability of restricted subsidiaries to pay dividends or make distributions and limitations; (xi) change the fiscal year; and (xii) modify subordinated debt documents.

DESCRIPTION OF NOTES

General

We are a Delaware corporation and will be the issuer of $1,500,000,000 aggregate principal amount of % Senior Secured Notes due 2032 offered hereby (the "*Notes*") under an indenture (the "*Indenture*") to be entered into by and among us, the Subsidiary Guarantors (as defined herein) party thereto from time to time, U.S. Bank Trust Company, National Association, as trustee (in such capacity, the "*Notes Trustee*"), and U.S. Bank National Association, as collateral agent (in such capacity, the "*Collateral Agent*"). For purposes of this "*Description of Notes*," references to the "Company," "Issuer," "we," "our" and "us" refer only to Caesars Entertainment, Inc. and not to any of its Subsidiaries or Affiliates.

The following summary of certain provisions of the Indenture and the Notes does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of those agreements, including the definitions of certain terms therein. Capitalized terms used in this "*Description of Notes*" section and not otherwise defined have the meanings set forth in the section "—*Certain Definitions*."

The Notes and any additional Notes subsequently issued under the Indenture may, at our election, be treated as a single class for all purposes under the Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase; *provided* that if the additional Notes are not fungible with the Notes for U.S. federal income tax purposes, the additional Notes will have a separate CUSIP number. Unless the context otherwise requires, for all purposes of the Indenture and this "*Description of Notes*," references to the Notes include any additional Notes actually issued.

Principal of, premium, if any, and interest on the Notes will be payable, and the Notes may be exchanged or transferred, at the office or agency designated by the Issuer (which initially shall be the principal corporate trust office of the Notes Trustee).

The Notes will be issued only in fully registered form, without coupons, in minimum denominations of $2,000 and any integral multiple of $1,000 in excess thereof; *provided* that book-entry positions may be created at DTC by a DTC participant in denominations of less than $2,000. No service charge will be made for any registration of transfer or exchange of Notes, but the Issuer may require payment of a sum sufficient to cover any transfer tax or other similar governmental charge payable in connection therewith.

Terms of the Notes

The Notes will be senior secured obligations of the Issuer and the Subsidiary Guarantors and will mature on , 2032. Each Note will bear interest at a rate of % per annum from the Issue Date or from the most recent date to which interest has been paid or provided for, payable semiannually to holders of record at the close of business on or or immediately preceding the interest payment date on and of each year, commencing , 2024.

Optional Redemption

On or after , 2027, the Issuer may redeem the Notes at its option, in whole at any time or in part from time to time, upon not less than 10 nor more than 60 days' prior notice mailed by first-class mail, or delivered electronically if held by DTC, to each holder's registered address, at the following redemption prices (expressed as a percentage of principal amount), plus accrued and unpaid interest, if any, to, but excluding, the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the 12-month period commencing on of the years set forth below:

Period	Redemption price
2027	%
2028	%
2029 and thereafter	100.00%

In addition, prior to , 2027, the Issuer may redeem the Notes at its option, in whole at any time or in part from time to time, upon not less than 10 nor more than 60 days' prior notice mailed by first-class mail, or delivered electronically if held by DTC, to each holder's registered address, at a redemption price equal to 100% of the principal amount of the Notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest, if any, to, but excluding, the applicable redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Notwithstanding the foregoing, at any time and from time to time on or prior to , 2027, the Issuer may redeem in the aggregate up to 40% of the original aggregate principal amount of the Notes (calculated after giving effect to any issuance of additional Notes) with the net cash proceeds of one or more Equity Offerings by the Issuer at a redemption price (expressed as a percentage of principal amount thereof) of %, plus accrued and unpaid interest, if any, to, but excluding, the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided*, *however*, that at least 50% of the original aggregate principal amount of the Notes (calculated after giving effect to any issuance of additional Notes) must remain outstanding after each such redemption; *provided*, *further*, that such redemption shall occur within 120 days after the date on which any such Equity Offering is consummated upon not less than 10 nor more than 60 days' notice mailed, or delivered electronically if held by DTC, to each holder of Notes being redeemed and otherwise in accordance with the procedures set forth in the Indenture.

In connection with any tender offer or other offer to purchase for all of the Notes, if holders of not less than 90% of the aggregate principal amount of the then outstanding Notes validly tender and do not validly withdraw such Notes in such tender offer and the Issuer, or any third party making such tender offer in lieu of the Issuer, purchases all of the Notes validly tendered and not validly withdrawn by such holders, the Issuer or such third party will have the right upon not less than 10 nor more than 60 days' notice following such purchase date, to redeem all Notes, that remain outstanding following such purchase at a price equal to the price paid to each other holder in such tender offer, plus, to the extent not included in the tender offer payment, accrued and unpaid interest, if any, thereon, to, but excluding, the date of such redemption.

Notice of any redemption upon any corporate transaction or other event (including any Equity Offering, Incurrence of Indebtedness, Change of Control or other transaction) may be given prior to the completion thereof. In addition, any such redemption described above or notice thereof may, at the Issuer's discretion, be subject to one or more conditions precedent, including, but not limited to, completion of a corporate transaction or other event. If any redemption is so subject to the satisfaction of one or more conditions precedent, the notice thereof shall describe each such condition and, if applicable, shall state that, in the Issuer's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied (or waived by the Issuer in its sole discretion) by the redemption date, or by the redemption date as so delayed (which may exceed 60 days from the date of the redemption notice in such case). In addition, the Issuer may provide in such notice that payment of the redemption price and performance of the Issuer's obligations with respect to such redemption may be performed by another Person.

Selection

In the case of any partial redemption, selection of Notes for redemption will be made by the Notes Trustee by lot or by such other method as the Notes Trustee shall deem fair and appropriate (and, in such manner that complies with the requirements of DTC, if applicable); *provided* that no Notes of $2,000 or less shall be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption relating to such Note shall state the portion of the principal amount thereof to be redeemed. In the case of physical Notes, a new Note in principal amount equal to the unredeemed portion thereof will be issued in the name of the holder thereof upon cancellation of the original Note. On and after the redemption date, interest will cease to accrue on Notes or portions thereof called for redemption so long as the Issuer has deposited with the paying agent funds sufficient to pay the principal of, plus accrued and unpaid interest (if any) and premium (if any) on, the Notes to be redeemed.

Offers to Purchase; Open Market Purchases

The Issuer will not be required to make any mandatory redemption or sinking fund payments with respect to the Notes. However, under certain circumstances, the Issuer may be required to offer to purchase Notes as described

under the captions "*—Change of Control*" and "*—Certain Covenants—Asset Sales*." In addition, in the event any holder is found unsuitable by a Gaming Authority to hold the Notes, the Notes may be redeemed by the Issuer pursuant to the procedures described under the caption "*—Mandatory Disposition Pursuant to Gaming Laws*." The Issuer or its Affiliates may at any time and from time to time purchase Notes in the open market or otherwise.

Ranking

The Notes and the Note Guarantees will be senior secured Indebtedness of the Issuer and the Subsidiary Guarantors, respectively, will rank equally in right of payment with all existing and future senior Indebtedness of the Issuer and the Subsidiary Guarantors, will be senior in right of payment to all existing and future Subordinated Indebtedness of the Issuer and the Subsidiary Guarantors, will be effectively senior in right of payment to all senior Indebtedness of the Issuer and the Subsidiary Guarantors that is unsecured or that is secured by a lien ranking junior in priority to the liens securing the Notes and the Note Guarantees, including Indebtedness under the 2027 Notes and the 2029 Notes, in each case to the extent of the value of the assets securing the Notes and the Note Guarantees, will rank equally with all of the Issuer's and the Subsidiary Guarantors' existing and future first-priority lien obligations, including Indebtedness under the CEI Credit Facilities, the 2025 Secured Notes (prior to the consummation of the Tender Offer and the 2025 Secured Notes Redemption (if any)), and the 2030 Secured Notes, to the extent of the value of the assets securing the Notes, and will be structurally subordinated in right of payment to all existing and future Indebtedness and other liabilities (including trade payables) of the Issuer's Subsidiaries that are not Subsidiary Guarantors, including, without limitation, Indebtedness under the CRC Secured Notes.

As of September 30, 2023, on a pro forma basis after giving effect to the Transactions, the Notes would have ranked (1) effectively pari passu in right of payment to the $722.0 million CEI Term A Loan, the $2,487 million CEI Term B Loan, the $2,500 million CEI Term B-1 Loan (if consummated in connection with the Transactions), and any amounts that may be drawn under the $2,250 million CEI Revolving Credit Facility, (2) effectively pari passu in right of payment to any remaining outstanding Indebtedness under the 2025 Secured Notes, if any, (3) effectively pari passu in right of payment to $2,000 million in outstanding Indebtedness under the 2030 Secured Notes and (4) effectively senior in right of payment to $2,811 million of other senior Indebtedness that is unsecured, including the Indebtedness under the 2027 Notes and the 2029 Notes, to the extent of the value of the assets securing the Notes.

In addition, as of September 30, 2023, on a pro forma basis after giving effect to the Transactions, Subsidiaries of the Issuer that are not Subsidiary Guarantors under the Notes are obligors of $989 million of Indebtedness (excluding intercompany Indebtedness), of which $989 million constitutes secured Indebtedness. Although the Indenture will limit the Incurrence of Indebtedness and the issuance of Disqualified Stock and Preferred Stock by the Issuer and its Restricted Subsidiaries, and the issuance of Preferred Stock by the Restricted Subsidiaries that are not Subsidiary Guarantors, such limitation is subject to a number of significant qualifications and exceptions. The Issuer and its Restricted Subsidiaries are able to Incur additional amounts of Indebtedness.

Under certain circumstances the amount of such Indebtedness could be substantial and, subject to certain limitations, such Indebtedness may be Secured Indebtedness. See "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*" and "*—Certain Covenants—Liens*."

Substantially all of the operations of the Issuer are conducted through its Subsidiaries. Unless a Subsidiary is a Subsidiary Guarantor, claims of creditors of such Subsidiary, including trade creditors, and claims of preferred stockholders (if any) of such Subsidiary, generally will have priority with respect to the assets and earnings of such Subsidiary over the claims of creditors of the Issuer, including holders of the Notes. The Notes, therefore, will be effectively subordinated to holders of Indebtedness and other creditors (including trade creditors) and preferred stockholders (if any) of Subsidiaries of the Issuer that are not Subsidiary Guarantors, including the CRC Secured Notes. See "*Risk Factors—Risks Relating to the Notes and Our Company's Indebtedness—Your right to receive payments on the Notes and the related guarantees is effectively subordinated to the extent that any other indebtedness is secured by assets of the Issuer and the Subsidiary Guarantors not constituting collateral*."

Security

The Notes will be secured by a first-priority (subject to certain permitted liens and exceptions) security interest in the Collateral in favor of the Collateral Agent for the benefit of the holders of the Notes, the CEI Credit Facilities, the 2025 Secured Notes, the 2030 Secured Notes and other future first-priority lien obligations that may be

issued in compliance with the terms of the Indenture. The liens securing the Notes will be held by the Collateral Agent, who also serves as collateral agent for the CEI Credit Facilities, the 2025 Secured Notes (prior to the consummation of the Tender Offer and the 2025 Secured Notes Redemption (if any)), and the 2030 Secured Notes and may serve as collateral agent for other future first-priority lien obligations.

The Notes will be secured by first-priority (subject to certain permitted liens and exceptions) liens on the Collateral, which will generally consist of the following assets of the Issuer and the Subsidiary Guarantors (other than Excluded Assets), whether now owned or hereafter acquired:

(a) 100% of the Capital Stock of each direct Subsidiary of the Issuer and the Subsidiary Guarantors (which pledge, in the case of voting Equity Interests of any Foreign Subsidiary or FSHCO, shall be limited to 65% of the voting Equity Interests of such Foreign Subsidiary or FSHCO); and

(b) substantially all tangible and intangible personal property and material real property of the Issuer and the Subsidiary Guarantors (including, but not limited to, accounts receivable, inventory, equipment, general intangibles (including contract rights), investment property, intellectual property, real property, intercompany notes, instruments, chattel paper and documents, letter of credit rights, commercial tort claims and proceeds of the foregoing).

Certain Limitations on the Collateral

The Collateral securing the Notes will not include any of the following assets (collectively, the "*Excluded Assets*"): (i) any real property held by the Issuer or any of its Subsidiaries as a lessee under a lease other than Material Leased Real Property (as defined in the CEI Credit Agreement) or any real property owned in fee other than Owned Real Property (as defined in the CEI Credit Agreement); (ii) motor vehicles and other assets subject to certificates of title and letter of credit rights (in each case, other than to the extent a Lien on such assets or such rights can be perfected by filing a UCC-1), and commercial tort claims with a value of less than $75 million; (iii) pledges and security interests (1) prohibited by applicable law (including Gaming Laws), rule, regulation or contractual obligation (with respect to any such contractual obligation, only to the extent such restriction is permitted under certain provisions of the CEI Credit Agreement and such restriction is binding on such assets (x) on the date specified in the CEI Credit Agreement or (y) on the date that the applicable Person becomes a Subsidiary of the Issuer) (or is a refinancing or replacement of any such contractual obligation *provided* that such restriction is no more restrictive in any material respect than the refinanced or replaced contractual obligation) (in each case, except to the extent such prohibition is unenforceable after giving effect to the applicable anti-assignment provisions of Article 9 of the Uniform Commercial Code) or (2) which could require governmental or other regulatory (including Gaming Authority) consent, approval, license or authorization to be pledged (unless such consent, approval, license or authorization has been received and the Issuer shall be under no obligation to seek such consent (other than commercially reasonable efforts to obtain such consent in respect of Gaming Laws)), including, without limitation, any Capital Stock in or property of any Interim Purchaser or Interim Trust; (iv) assets to the extent a security interest in such assets could reasonably be expected to result in material adverse tax consequences (as determined in good faith by the Issuer); (v) those assets as to which the Collateral Agent (acting at the direction of the Applicable Authorized Representative) and the Issuer reasonably agree that the costs or other consequence (including any adverse tax consequence) of obtaining or perfecting such a security interest or perfection thereof are excessive in relation to the value of the security to be afforded thereby; (vi) any lease, license or other agreement to the extent that a grant of a security interest therein would violate or invalidate such lease, license or agreement or create a right of termination in favor of any other party thereto (other than the Issuer or any Subsidiary Guarantor) after giving effect to the applicable anti-assignment provisions of Article 9 of the Uniform Commercial Code; (vii) any governmental licenses (including gaming licenses) or state or local franchises, charters and authorizations, to the extent security interests in such licenses, franchises, charters or authorizations are prohibited or restricted thereby or require the consent of any government authority (to the extent such consent has not been obtained) after giving effect to the applicable anti-assignment provisions of Article 9 of the Uniform Commercial Code; (viii) pending United States "intent-to-use" trademark applications for which a verified statement of use or an amendment to allege use has not been filed with and accepted by the United States Patent and Trademark Office; (ix) other customary exclusions under applicable local law or in applicable local jurisdictions set forth in the Security Documents or otherwise separately agreed in writing between the Applicable Authorized Representative and the Issuer; (x) any Excluded Securities; (xi) for the avoidance of doubt, any assets owned by, or the Capital Stock of, any Qualified Non-Recourse Subsidiary, any Receivables Subsidiary or any other asset securing any Qualified Non-Recourse Debt or any permitted Receivables Financing (which shall in no event constitute

Collateral, nor shall any Qualified Non-Recourse Subsidiary or Receivables Subsidiary be a Subsidiary Guarantor); (xii) any Third Party Funds and Excluded Accounts; (xiii) any equipment or other asset that is subject to certain Liens permitted by certain provisions of the CEI Credit Agreement or is otherwise subject to a purchase money debt arrangement, slot financing arrangement or a Capitalized Lease Obligation, in each case, as permitted by certain provisions of the CEI Credit Agreement, if the contract or other agreement providing for such debt, financing arrangement or Capitalized Lease Obligation prohibits or requires the consent of any Person (other than the Issuer or any Subsidiary Guarantor) as a condition to the creation of any other security interest on such equipment or asset and, in each case, such prohibition or requirement is permitted under the CEI Credit Agreement; (xiv) unless otherwise elected by the Issuer in its sole discretion, all assets of CRC, CEOC and their respective Subsidiaries (whether existing on the Issue Date or formed or acquired thereafter); *provided* that the exclusion set forth in this clause (xiv) shall cease to apply if at any time neither the CRC Credit Agreement nor the CRC Secured Indenture shall be in effect; (xv) the Pompano Park Real Property (as defined in the CEI Credit Agreement); (xvi) the Non-Core Land; and (xvii) the Specified Excluded Collateral; *provided* that the Issuer may in its sole discretion elect to exclude any property from the definition of Excluded Assets.

In addition:

(a) Liens required to be granted from time to time pursuant to the Indenture shall be subject to exceptions and limitations set forth in the Security Documents;

(b) control agreements or control, lockbox or similar arrangements shall not be required with respect to deposit accounts, securities accounts, commodities accounts or other assets requiring perfection by control agreements; and

(c) no foreign law-governed security documents or grant or perfection actions under foreign law shall be required except with respect to the Equity Interests in and assets of any Subsidiary Guarantor that is a Foreign Subsidiary (in which case such security documents and grant or perfection actions shall be limited to the jurisdiction of formation of such Subsidiary Guarantor).

The Issuer will use commercially reasonable efforts to grant and perfect a security interest in all Collateral for the benefit of the Collateral Agent, the Notes Trustee and the holders of the Notes on the Issue Date, subject to certain exceptions. Notwithstanding the foregoing, the security interest in certain of the Collateral (other than Collateral a security interest in which can be perfected by filing a financing statement or filings with the United States Patent and Trademark Office or United States Copyright Office and Collateral constituting certificated equity interests (to the extent required to be delivered under the terms of the Security Documents)) for the benefit of the Collateral Agent, the Notes Trustee and the holders of the Notes may not be in place on the Issue Date. To the extent any liens on, or security interest in, the Collateral securing the Notes are not granted on or prior to the Issue Date, the Indenture will require us to use our commercially reasonable efforts to have all such security interests (including real estate mortgages and ship mortgages) granted and perfected within 180 days (or such later date as may be agreed by the administrative agent under the CEI Credit Agreement), except as provided in the following sentence; *however* no assurance can be given that such security interests will be granted or perfected on a timely basis or at all. The pledges of the equity interests in and assets of certain of our subsidiaries that are gaming licensees or registered holding companies of gaming licensees under Nevada or New Jersey gaming laws will not be effective unless and until such pledges are approved by the Nevada Gaming Control Board, the Nevada Gaming Commission and the New Jersey Division of Gaming Enforcement, as applicable. Within twenty business days after receipt of any such approvals, the Issuer and the applicable Subsidiary Guarantors shall execute any and all further documents, agreements and instruments, and take all such further actions as necessary under the Indenture and the Security Documents in order to evidence the right, title and interest of the Collateral Agent in such equity interests and assets (in each case, to the extent not otherwise excluded from the Collateral). However, we cannot predict when these approvals will be granted, if at all, and in other cases, these approvals have not been granted until six months or longer after creation of the relevant obligations. We will file applications requesting such approvals by, or promptly following, the Issue Date, and, for six months after the Issue Date, we will use commercially reasonable efforts to obtain such approvals; *provided*, *however*, there is no assurance that such approvals will be granted or will not be delayed. In addition, the Indenture and the Security Documents will generally not require the Issuer and the Subsidiary Guarantors to perfect the liens of the Collateral Agent in certain types of Collateral, including cash, deposit accounts, commercial tort claims below an agreed upon threshold and certain other assets the value of which is below an agreed upon threshold. As a result, the first-priority liens may not attach or be perfected in certain of the Collateral, which could adversely affect

the rights of the holders of the Notes with respect to such Collateral. See "*Risk Factors—Risks Relating to the Notes and Our Company's Indebtedness—Not all security over the collateral will be in place on the date of issuance of the Notes*" and "*Risk Factors—Risks Relating to the Notes and Our Company's Indebtedness—Delivery of real estate mortgages, ship mortgages or security interests in other collateral after the closing date of the offering increases the risk that such mortgages or other security interests may be avoidable in bankruptcy*."

The Collateral Agent shall have no responsibility for preparing, recording, filing, re-recording, or refiling any financing statement, perfection statement, continuation statement or other instrument in any public office or for otherwise ensuring the perfection or maintenance of any security interest granted pursuant to any Security Document.

Maintenance of Insurance

The Issuer will maintain, with financially sound and reputable insurance companies, insurance (subject to customary deductibles and retentions) in such amounts and against such risks as are customarily maintained by similarly situated companies engaged in the same or similar businesses operating in the same or similar locations. Notwithstanding the foregoing, the Issuer and the Subsidiary Guarantors may self-insure with respect to such risks with respect to which companies of established reputation in the same general line of business in the same general area usually self-insure.

After-Acquired Property

Upon the acquisition by the Issuer or any Subsidiary Guarantor of any After-Acquired Property, such Issuer or Subsidiary Guarantor will be required to execute and deliver such mortgages, deeds of trust, security instruments, financing statements and certificates, opinions of counsel or such other documentation substantially similar to the documentation delivered to secure First Priority Lien Obligations as shall be reasonably necessary to vest in the Collateral Agent, for the benefit of the Notes Trustee and the First Lien Secured Parties, a perfected first-priority security interest or lien, subject only to Permitted Liens, in such After-Acquired Property and to have such After-Acquired Property (but subject to certain limitations, if applicable, including as described in the Indenture and the Security Documents) added to the Collateral, and thereupon all provisions of the Indenture relating to the Collateral shall be deemed to relate to such After-Acquired Property to the same extent and with the same force and effect.

Security Documents

The Indenture will provide that the Issuer will be required to use commercially reasonable efforts to perfect all security interests in the Collateral (other than Excluded Assets) on or after the Issue Date and to the extent that any instrument or deliverable under the Security Documents is required to be delivered and is not delivered on or prior to the Issue Date, the Issuer will use its commercially reasonable efforts to, and use its commercially reasonable efforts to cause the Subsidiary Guarantors to, deliver such instruments and deliverables within 180 days following the Issue Date or such longer period of time as agreed to by the administrative agent under any Credit Agreement with respect to perfecting security interests in such Collateral thereunder under a provision in the security documents with respect to any Credit Agreement that exists in substantially the same form in the Security Documents.

Sufficiency of Collateral

In the event of a liquidation or foreclosure, the value of the Collateral is subject to fluctuations based on factors that include general economic conditions, the actual fair market value of the Collateral at such time, the timing and the manner of the sale and the availability of buyers and similar factors. By its nature, some or all of the Collateral is and will be illiquid and may have no readily ascertainable market value. Likewise, we cannot assure you that the Collateral will be saleable or, if saleable, that there will not be substantial delays in its liquidation.

First Lien Intercreditor Agreement

The Notes Trustee, as authorized representative with respect to the Notes, and the Collateral Agent will enter into a joinder to that certain First Lien Intercreditor Agreement, dated as of July 20, 2020 (as amended, supplemented or otherwise modified from time to time, the "*First Lien Intercreditor Agreement*"), among the Collateral Agent, JPMorgan Chase Bank, N.A., as authorized representative with respect to the CEI Credit Facilities, U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as authorized

representative with respect to the 2025 Secured Notes, U.S. Bank Trust Company, National Association, as authorized representative with respect to the 2030 Secured Notes, the Issuer and the other parties thereto, which agreement will set forth the respective rights of the holders of the Notes, the lenders under the CEI Credit Facilities, the holders of the 2025 Secured Notes, the holders of the 2030 Secured Notes and certain future creditors of debt secured by liens on the collateral permitted to rank equally with the Notes, the obligations under the CEI Credit Facilities, the 2025 Secured Notes and the 2030 Secured Notes.

Under the First Lien Intercreditor Agreement, as described below, the "*Applicable Authorized Representative*" has the right to direct foreclosures and to instruct the Collateral Agent to take other actions with respect to the Shared Collateral, and the Authorized Representatives of other Series of First Priority Lien Obligations have no right to take actions with respect to the Shared Collateral. The Applicable Authorized Representative will initially be the administrative agent under the CEI Credit Agreement, and the Notes Trustee for the holders of the Notes, as Authorized Representative in respect of the Notes, will have no rights under the First Lien Intercreditor Agreement to direct the Collateral Agent to take any action with respect to the Shared Collateral unless and until it becomes the Applicable Authorized Representative.

The administrative agent under the CEI Credit Agreement will remain the Applicable Authorized Representative until the earlier of (1) the Discharge of Credit Agreement Obligations and (2) the Non-Controlling Authorized Representative Enforcement Date (such date, the "*Applicable Authorized Agent Date*"). After the Applicable Authorized Agent Date, the Applicable Authorized Representative will be the Authorized Representative of the Series of Other First Priority Lien Obligations that constitutes the largest outstanding principal amount of any then outstanding Series of First Priority Lien Obligations with respect to the Shared Collateral (the "*Major Non-Controlling Authorized Representative*").

The "*Non-Controlling Authorized Representative Enforcement Date*" is the date that is 180 days (throughout which 180-day period the applicable Authorized Representative was the Major Non-Controlling Authorized Representative) after the occurrence of both (a) an event of default, as defined in the Indenture or other applicable indenture or debt document for that Series of First Priority Lien Obligations and (b) the Collateral Agent's and each other Authorized Representative's receipt of written notice from that Authorized Representative certifying that (i) such Authorized Representative is the Major Non-Controlling Authorized Representative and that an event of default, as defined in the Indenture or other applicable indenture for that Series of First Priority Lien Obligations, has occurred and is continuing and (ii) the First Priority Lien Obligations of that Series are currently due and payable in full (whether as a result of acceleration thereof or otherwise) in accordance with the Indenture or other applicable indenture for that Series of First Priority Lien Obligations; *provided* that the Non-Controlling Authorized Representative Enforcement Date shall be stayed and shall not occur and shall be deemed not to have occurred with respect to any Shared Collateral (1) at any time the administrative agent under the CEI Credit Agreement or the Collateral Agent (acting on the instructions of the administrative agent under the CEI Credit Agreement) has commenced and is diligently pursuing any enforcement action with respect to all or any material portion of the Shared Collateral, (2) at any time the Issuer or any Subsidiary Guarantor that has granted a security interest in such Shared Collateral is then a debtor under or with respect to (or otherwise subject to) any insolvency or liquidation proceeding or (3) if the acceleration of the First Priority Lien Obligations of the Series with respect to which that Authorized Representative is the Authorized Representative (if any) is rescinded in accordance with the terms of the Indenture or other applicable indenture for that Series of First Priority Lien Obligations.

(a) Only the Collateral Agent will be permitted to act or refrain from acting with respect to the Shared Collateral (including with respect to any intercreditor agreement with respect to any Shared Collateral) and then only on the instructions of the Applicable Authorized Representative, (b) the Collateral Agent shall not follow any instructions with respect to such Shared Collateral (including with respect to any intercreditor agreement with respect to any Shared Collateral) from any Non-Controlling Authorized Representative or other First Lien Secured Party (other than the Applicable Authorized Representative) and (c) no Non-Controlling Authorized Representative or other First Lien Secured Party (other than the Applicable Authorized Representative) will be permitted to, or will be permitted to instruct the Collateral Agent to, commence any judicial or non-judicial foreclosure proceedings with respect to, seek to have a trustee, receiver, liquidator or similar official appointed for or over, attempt any action to take possession of, exercise any right, remedy or power with respect to, or otherwise take any action to enforce its interests in or realize upon, or take any other action available to it in respect of, the Shared Collateral (including with

respect to any intercreditor agreement with respect to any Shared Collateral), whether under any Security Document, applicable law or otherwise.

Notwithstanding the equal priority of the Liens, the Collateral Agent, acting on the instructions of the Applicable Authorized Representative, may deal with the Shared Collateral as if such Applicable Authorized Representative had a senior Lien on such Shared Collateral. No Non-Controlling Authorized Representative or Non-Controlling Secured Party will be permitted to contest, protest or object to any foreclosure proceeding or action brought by the Collateral Agent, Applicable Authorized Representative or Controlling Secured Party or any other exercise by the Collateral Agent, the Applicable Authorized Representative or the Controlling Secured Party of any rights and remedies relating to the Shared Collateral, or to cause the Collateral Agent to do so. The Notes Trustee and each other Authorized Representative will agree that it will not accept any Lien on any Collateral for the benefit of the holders of the Notes (other than funds deposited for the discharge or defeasance of the documents governing any First Priority Lien Obligations and other than cash and cash equivalents pledged to secure Credit Agreement Obligations consisting of reimbursement Obligations in respect of letters of credit or otherwise held by the Collateral Agent pursuant to certain provisions of the CEI Credit Agreement or any refinancing or replacement thereof) other than pursuant to the Security Documents. Each of the First Lien Secured Parties also will agree that it will not contest or support any other Person in contesting, in any proceeding (including any insolvency or liquidation proceeding), the perfection, priority, validity or enforceability of a Lien held by or on behalf of any of the First Lien Secured Parties in all or any part of the Collateral, or the provisions of the First Lien Intercreditor Agreement; *provided* that the foregoing will not be construed to prevent or impair (i) the rights of any of the Collateral Agent or any Authorized Representative to enforce the First Lien Intercreditor Agreement or (ii) the rights of any First Lien Secured Party from contesting or supporting any other Person in contesting the enforceability of any Lien purporting to secure First Priority Lien Obligations constituting unmatured interest pursuant to Section 502(b)(2) of the Bankruptcy Code (or any similar provision of any applicable Bankruptcy Law).

If a First Priority Lien Obligations Event of Default has occurred and is continuing and the Collateral Agent or any other First Lien Secured Party is taking action to enforce rights in respect of any Shared Collateral, or any distribution is made with respect to any Shared Collateral in any insolvency or liquidation proceeding of the Issuer or any Subsidiary Guarantor (including any adequate protection payments) or any First Lien Secured Party receives any payment pursuant to any intercreditor agreement (other than the First Lien Intercreditor Agreement) with respect to any Shared Collateral, the proceeds of any sale, collection or other liquidation of any such Shared Collateral by any First Lien Secured Party or received by the Collateral Agent or any First Lien Secured Party pursuant to any such intercreditor agreement with respect to such Shared Collateral and proceeds of any such distribution (subject, in the case of any such payments, proceeds or distribution, to the paragraph immediately following), will be required to be applied among the First Priority Lien Obligations to the payment in full of the First Priority Lien Obligations on a ratable basis, after payment of all amounts owing to the Collateral Agent.

Notwithstanding the foregoing, with respect to any Shared Collateral for which a third party (other than a First Lien Secured Party) has a lien or security interest that is junior in priority to the security interest of any Series of First Priority Lien Obligations but senior (as determined by appropriate legal proceedings in the case of any dispute and after giving effect to any applicable intercreditor agreement (other than the First Lien Intercreditor Agreement)) to the security interest of any other Series of First Priority Lien Obligations (such third party, an "*Intervening Creditor*"), the value of any Shared Collateral or proceeds which are allocated to such Intervening Creditor shall be deducted on a ratable basis solely from the Shared Collateral or proceeds to be distributed in respect of the Series of First Priority Lien Obligations with respect to which such Impairment exists. In the event of any Impairment with respect to any Series of First Priority Lien Obligations, the results of such Impairment shall be borne solely by the holders of such Series of First Priority Lien Obligations, and the rights of the holders of such Series of First Priority Lien Obligations (including, without limitation, the right to receive distributions in respect of such Series of First Priority Lien Obligations pursuant to the First Lien Intercreditor Agreement) set forth in the First Lien Intercreditor Agreement shall be modified to the extent necessary so that the effects of such Impairment are borne solely by the holders of the Series of such First Priority Lien Obligations subject to such Impairment.

None of the First Lien Secured Parties may institute any suit or assert in any suit, bankruptcy, insolvency or other proceeding any claim against the Collateral Agent or any other First Lien Secured Party seeking damages from or other relief by way of specific performance, instructions or otherwise with respect to any Shared Collateral. In addition, none of the First Lien Secured Parties may seek to have any Shared Collateral or any part thereof marshaled

upon any foreclosure or other disposition of such Collateral. If any First Lien Secured Party obtains possession of any Shared Collateral or realizes any proceeds or payment in respect of any such Shared Collateral, pursuant to any Security Document or by the exercise of any rights available to it under applicable law or in any insolvency or liquidation proceeding or through any other exercise of remedies (including pursuant to any intercreditor agreement), at any time prior to the discharge of each of the First Priority Lien Obligations, then it must hold such Shared Collateral, proceeds or payment in trust for the other First Lien Secured Parties and promptly transfer such Shared Collateral, proceeds or payment to the Collateral Agent to be distributed in accordance with the First Lien Intercreditor Agreement.

Under the terms of the First Lien Intercreditor Agreement, if, at any time any Shared Collateral is transferred to a third party or otherwise disposed of, in each case, in connection with any enforcement by the Collateral Agent in accordance with the provisions of the First Lien Intercreditor Agreement, then (whether or not any insolvency or liquidation proceeding is pending at the time) the Liens in favor of the Collateral Agent for the benefit of each of the First Lien Secured Parties upon such Shared Collateral will automatically be released and discharged upon final conclusion of foreclosure proceeding; *provided* that any proceeds of any Shared Collateral realized therefrom shall be distributed in accordance with the First Lien Intercreditor Agreement.

If the Issuer or any Subsidiary Guarantor becomes subject to any bankruptcy case, the First Lien Intercreditor Agreement provides that (1) if the Issuer or any Subsidiary Guarantor shall, as debtor(s)-in-possession, move for approval of financing (the "*DIP Financing*") to be provided by one or more lenders (the "*DIP Lenders*") under Section 364 of the Bankruptcy Code and/or the use of cash collateral under Section 363 of the Bankruptcy Code (or any similar provisions of any applicable Bankruptcy Law), each First Lien Secured Party (other than any Controlling Secured Party or any Authorized Representative of any Controlling Secured Party) will agree not to object to any such financing or to the Liens on the Shared Collateral securing the same (the "*DIP Financing Liens*") or to any use of cash collateral that constitutes Shared Collateral, unless any Controlling Secured Party, or an Authorized Representative of any Controlling Secured Party, shall then oppose or object to such DIP Financing or such DIP Financing Liens or use of cash collateral (and (i) to the extent that such DIP Financing Liens are senior to the Liens on any such Shared Collateral for the benefit of the Controlling Secured Parties, each Non-Controlling Secured Party will subordinate (or consent to the subordination by the Collateral Agent of) its Liens with respect to such Shared Collateral on the same terms as the Liens of the Controlling Secured Parties (other than any Liens of any First Lien Secured Parties constituting DIP Financing Liens) are subordinated thereto and (ii) to the extent that such DIP Financing Liens rank pari passu with the Liens on any such Shared Collateral granted to secure the First Priority Lien Obligations of the Controlling Secured Parties, each Non-Controlling Secured Party will confirm the priorities with respect to such Shared Collateral as set forth in the First Lien Intercreditor Agreement), in each case so long as:

1. the First Lien Secured Parties of each Series retain the benefit of their Liens on all such Shared Collateral pledged to the DIP Lenders, including proceeds thereof arising after the commencement of such proceeding, with the same priority vis-a-vis all the other First Lien Secured Parties (other than any Liens of the First Lien Secured Parties constituting DIP Financing Liens) as existed prior to the commencement of the bankruptcy case;

2. the First Lien Secured Parties of each Series are granted Liens on any additional collateral pledged to any First Lien Secured Parties as adequate protection or otherwise in connection with such DIP Financing and/or use of cash collateral, with the same priority vis-a-vis the First Lien Secured Parties (other than any Liens of the First Lien Secured Parties constituting DIP Financing Liens) as set forth in the First Lien Intercreditor Agreement;

3. if any amount of such DIP Financing and/or cash collateral is applied to repay any of the First Priority Lien Obligations, such amount is applied pursuant to the First Lien Intercreditor Agreement; and

4. if any First Lien Secured Parties are granted adequate protection, including in the form of periodic payments, in connection with such DIP Financing and/or use of cash collateral, the proceeds of such adequate protection is applied pursuant to the First Lien Intercreditor Agreement; *provided* that the First Lien Secured Parties of each Series shall have a right to object to the grant of a Lien to secure the DIP Financing over any Collateral subject to Liens in favor of the First Lien Secured Parties of such Series or its Authorized Representative that shall not constitute Shared Collateral;

provided, *further*, that the First Lien Secured Parties receiving adequate protection shall not object to any other First Lien Secured Party receiving adequate protection comparable to any adequate protection granted to such First Lien Secured Parties in connection with a DIP Financing and/or use of cash collateral.

If the Issuer or any Subsidiary Guarantor incurs indebtedness in the future that is secured by liens on the collateral that are junior to the liens that secure the Notes, the CEI Credit Facilities, the 2025 Secured Notes and the 2030 Secured Notes, then, upon such incurrence, the Collateral Agent, the Notes Trustee, the administrative agent under the CEI Credit Facilities, the trustee under the 2025 Secured Notes, the trustee under the 2030 Secured Notes, the agent under such new indebtedness and the other parties thereto will enter into a Junior Lien Intercreditor Agreement (or a joinder thereto) as to the relative priorities of their respective security interests in the collateral and certain other matters relating to the administration of such security interests.

The First Lien Secured Parties acknowledge that the First Priority Lien Obligations of any Series may, subject to the limitations set forth in the Indenture, be increased, extended, renewed, replaced, restated, supplemented, restructured, repaid, refunded, refinanced or otherwise amended or modified from time to time, all without affecting the priorities set forth in the First Lien Intercreditor Agreement defining the relative rights of the First Lien Secured Parties of any Series.

For the avoidance of doubt, the holders of the Notes expressly waive any right to share in the proceeds, if any, from title insurance policies insuring other first priority lien obligations of the Issuer or any of its Subsidiaries. The Notes Trustee's joinder to the First Lien Intercreditor Agreement includes such waiver.

Release of Collateral

We and the Subsidiary Guarantors will be entitled to the release of property and other assets constituting Collateral from the Liens securing the Notes and the Notes Obligations under any one or more of the following circumstances:

(a) to enable the Issuer or any Subsidiary Guarantor to consummate the sale, transfer or other disposition of such property or assets to the extent not prohibited under the covenant described under "—*Certain Covenants—Asset Sales*";

(b) [reserved];

(c) in respect of the property and assets of a Subsidiary Guarantor, upon the designation of such Subsidiary Guarantor to be an Unrestricted Subsidiary in accordance with the definition of "Unrestricted Subsidiary," and such Subsidiary Guarantor shall be automatically released from its obligations under the Indenture and under the Security Documents;

(d) [reserved];

(e) in respect of the property and assets of a Subsidiary Guarantor, upon the release or discharge of the Note Guarantee of such Subsidiary Guarantor in accordance with the Indenture;

(f) in respect of any property or assets of the Issuer or a Subsidiary Guarantor that would constitute Collateral but is at such time not subject to a Lien securing First Priority Lien Obligations (other than the Notes Obligations), other than any property or assets that cease to be subject to a Lien securing First Priority Lien Obligations in connection with a discharge of such First Priority Lien Obligations; *provided* that this clause shall not apply with respect to a release of all or substantially all of the Collateral; *provided*, *further*, that if such property and assets are subsequently subject to a Lien securing First Priority Lien Obligations, such property and assets (other than Excluded Assets) shall subsequently constitute Collateral under the Indenture;

(g) as described under "—*Amendment and Waivers*" below; and

(h) to the extent such property or assets constitute Excluded Assets.

In addition, the security interests granted pursuant to the Security Documents securing the Notes Obligations shall automatically terminate and/or be released all without delivery of any instrument or performance of any act by any party, and all rights to the Collateral shall revert to the applicable Pledgor (as defined in the Collateral Agreement), as of the date upon (i) all the Obligations under the Notes and the Indenture and the Security Documents (to the extent relating to the Notes and the Indenture) (other than contingent or unliquidated obligations or liabilities not then due) have been paid in full in cash or immediately available funds; (ii) the Issuer's exercise of its legal defeasance option or covenant defeasance option as described under "*—Certain Covenants—Defeasance*" or satisfaction and discharge of the Notes under the Indenture pursuant to the terms therein; or (iii) the holders of at least 66 2/3% in aggregate principal amount of all Notes issued and outstanding under the Indenture consent to the termination of the Security Documents.

Guarantees

Each of the Issuer's existing and future direct and indirect Wholly Owned Restricted Subsidiaries that are Domestic Subsidiaries and that are borrowers or guarantors under the CEI Credit Facilities will jointly and severally, irrevocably and unconditionally guarantee on a senior secured basis the performance and punctual payment when due, whether at Stated Maturity, by acceleration or otherwise, of all obligations of the Issuer under the Indenture and the Notes, whether for payment of principal of, premium, if any, or interest on the Notes, expenses, indemnification or otherwise (all such obligations guaranteed by such Subsidiary Guarantors being herein called the "*Guaranteed Obligations*"). The Subsidiary Guarantors will agree to pay, in addition to the amount stated above, any and all expenses (including reasonable counsel fees and expenses) incurred by the Notes Trustee or the holders in enforcing any rights under the Note Guarantees.

Notwithstanding the foregoing, certain of our Wholly Owned Restricted Subsidiaries that are guarantors under the CEI Credit Facilities and that are gaming licensees or registered holding companies of gaming licensees under New Jersey gaming laws will not be required to become guarantors of the Notes unless and until such Note Guarantees are approved by the New Jersey Division of Gaming Enforcement. Within twenty business days after receipt of any such approvals, (i) the Issuer and the applicable Wholly Owned Restricted Subsidiaries shall execute any and all further documents, agreements and instruments, and take all such further actions as necessary under the Indenture in order to evidence the Note Guarantee by such Wholly Owned Restricted Subsidiaries, including, without limitation, the execution and delivery of a supplemental indenture to the Indenture, and (ii) such Wholly Owned Restricted Subsidiaries shall execute and deliver to the Collateral Agent or the Notes Trustee joinders to Security Documents or new Security Documents and take all actions required by such Security Documents to perfect the Liens created thereunder (in each case, to the extent such Wholly Owned Restricted Subsidiaries are not otherwise excluded from the requirement to provide a Note Guarantee pursuant to the Indenture). However, we cannot predict when these approvals will be granted, if at all, and in other cases, these approvals have not been granted until six months or longer after creation of the relevant obligations. We will file applications requesting such approvals by, or promptly following, the Issue Date, and, for six months after the Issue Date, we will use commercially reasonable efforts to obtain such approvals; *provided*, *however*, there is no assurance that such approvals will be granted or will not be delayed.

Each Note Guarantee will be limited to an amount not to exceed the maximum amount that can be guaranteed by the applicable Subsidiary Guarantor without rendering the Note Guarantee, as it relates to such Subsidiary Guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally. The Issuer will cause each Wholly Owned Restricted Subsidiary that Incurs or guarantees certain Indebtedness of the Issuer or any Subsidiary Guarantor to execute and deliver to the Notes Trustee a supplemental indenture pursuant to which such Restricted Subsidiary will guarantee payment of the Notes on the same senior basis. See "*—Certain Covenants—Future Subsidiary Guarantors*."

Each Note Guarantee will be a continuing guarantee and shall:

(1) remain in full force and effect until payment in full of all the Guaranteed Obligations of such Subsidiary Guarantor;

(2) subject to the next succeeding paragraph, be binding upon each such Subsidiary Guarantor and its successors; and

(3) inure to the benefit of and be enforceable by the Notes Trustee, the holders and their successors, transferees and assigns.

Each Note Guarantee will be automatically released upon:

(1) the sale, disposition, exchange or other transfer (including through merger, consolidation, amalgamation or otherwise) of the Capital Stock (including any sale, disposition or other transfer following which the applicable Subsidiary Guarantor is no longer a Restricted Subsidiary) of the applicable Subsidiary Guarantor if such sale, disposition, exchange or other transfer is made in a manner not in violation of the Indenture;

(2) the designation of such Subsidiary Guarantor as an Unrestricted Subsidiary in accordance with the covenant described under "*—Certain Covenants—Limitation on Restricted Payments*" and the definition of "Unrestricted Subsidiary";

(3) the release or discharge of the Note Guarantee by such Subsidiary Guarantor of the Indebtedness which resulted in the obligation to guarantee the Notes; or

(4) the Issuer's exercise of its legal defeasance option or covenant defeasance option as described under "*—Defeasance*" or if the Issuer's obligations under the Indenture are discharged in accordance with the terms of the Indenture.

Change of Control

Upon the occurrence of a Change of Control, each holder will have the right to require the Issuer to repurchase all or any part of such holder's Notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the date of repurchase (subject to the right of the holders of record on the relevant record date to receive interest due on the relevant interest payment date), except to the extent the Issuer has previously or concurrently elected to redeem Notes as described under "*—Optional Redemption*."

Within 30 days following any Change of Control, except to the extent that the Issuer has exercised its right to redeem the Notes by delivery of a notice of redemption as described under "*—Optional Redemption*," the Issuer shall mail a notice (a "*Change of Control Offer*") to each holder with a copy to the Notes Trustee stating:

(1) that a Change of Control has occurred and that such holder has the right to require the Issuer to repurchase such holder's Notes at a repurchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the date of repurchase (subject to the right of the holders of record on the relevant record date to receive interest on the relevant interest payment date);

(2) the circumstances and relevant facts and financial information regarding such Change of Control;

(3) the repurchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed); and

(4) the instructions determined by the Issuer, consistent with this covenant, that a holder must follow in order to have its Notes purchased.

A Change of Control Offer may be made in advance of a Change of Control, and conditioned upon such Change of Control.

In addition, the Issuer will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes properly tendered and not withdrawn under such Change of Control Offer.

If holders of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not withdraw such Notes in a Change of Control Offer and the Issuer, or any third party making a Change of Control Offer in lieu of the Issuer as described above, purchases all of the Notes validly tendered and not withdrawn by such holders, the Issuer or such third party will have the right, upon not less than 30 nor more than 60 days' prior notice,

given not more than 30 days following such purchase pursuant to the Change of Control Offer described above, to redeem all Notes that remain outstanding following such purchase at a price in cash equal to 101% of the principal amount thereof plus accrued and unpaid interest to but excluding the date of redemption.

Notes repurchased by the Issuer pursuant to a Change of Control Offer will have the status of Notes issued but not outstanding or will be retired and cancelled at the option of the Issuer. Notes purchased by a third party pursuant to the preceding paragraph will have the status of Notes issued and outstanding.

The Issuer will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue thereof.

This Change of Control repurchase provision is a result of negotiations between the Issuer and the initial purchasers. The Issuer has no present intention to engage in a transaction involving a Change of Control, although it is possible that the Issuer could decide to do so in the future. Subject to the limitations discussed below, the Issuer could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of Indebtedness outstanding at such time or otherwise affect the Issuer's capital structure or credit rating.

The occurrence of events which would constitute a Change of Control would constitute a default under the CEI Credit Agreement (including the CEI Credit Facilities). Future Bank Indebtedness of the Issuer may contain prohibitions on certain events which would constitute a Change of Control or require such Bank Indebtedness to be repurchased upon a Change of Control. Moreover, the exercise by the holders of their right to require the Issuer to repurchase the Notes could cause a default under such Bank Indebtedness, even if the Change of Control itself does not, due to the financial effect of such repurchase on the Issuer. Finally, the Issuer's ability to pay cash to the holders upon a repurchase may be limited by the Issuer's then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required repurchases. See "*Risk Factors—Risks Relating to the Notes and Our Company's Indebtedness—We may not be able to repurchase the Notes upon a change of control or pursuant to an asset sale offer, which would result in a default under the Indenture and would adversely affect our business and financial condition. Holders of the Notes may not be able to determine when a change of control giving rise to their right to have the Notes repurchased under a change of control has occurred following a sale of "substantially all" of our assets*."

The definition of "Change of Control" includes a phrase relating to the sale, lease or transfer of "all or substantially all" the assets of the Issuer and its Subsidiaries taken as a whole. Although there is a developing body of case law interpreting the phrase "substantially all," under New York law, which governs the Indenture, there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of Notes to require the Issuer to repurchase such Notes as a result of a sale, lease or transfer of less than all of the assets of the Issuer and their Subsidiaries taken as a whole to another Person or group may be uncertain.

The provisions under the Indenture relating to the Issuer's obligation to make an offer to repurchase the Notes as a result of a Change of Control may be waived or modified with the written consent of the holders of a majority in principal amount of the Notes.

Certain Covenants

Set forth below are summaries of certain covenants that will be contained in the Indenture. If on any date following the Issue Date, (i) the Notes have Investment Grade Ratings from at least two of the Rating Agencies and (ii) no Default has occurred and is continuing under the Indenture then, beginning on that day (the occurrence of the events described in the foregoing clauses (i) and (ii) being collectively referred to as a "*Covenant Suspension Event*"), the covenants specifically listed under the following captions in this "*Description of Notes*" section of this Offering Memorandum will not be applicable to the Notes (collectively, the "*Suspended Covenants*"):

(1) "*—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*";

(2) "*—Limitation on Restricted Payments*";

(3) "*—Dividend and Other Payment Restrictions Affecting Subsidiaries*";

(4) "*—Asset Sales*";

(5) "*—Transactions with Affiliates*";

(6) "*—Future Subsidiary Guarantors*"; and

(7) clause (4) of the first paragraph of "*—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets*."

If and while the Issuer and its Restricted Subsidiaries are not subject to the Suspended Covenants, the Notes will be entitled to substantially less covenant protection. In the event that the Issuer and its Restricted Subsidiaries are not subject to the Suspended Covenants under the Indenture for any period of time as a result of the foregoing, and on any subsequent date (the "*Reversion Date*") two of the Rating Agencies withdraw their Investment Grade Rating or downgrade the rating assigned to the Notes below an Investment Grade Rating, then the Issuer and its Restricted Subsidiaries will thereafter again be subject to the Suspended Covenants under the Indenture with respect to future events. The period of time between the Covenant Suspension Event and the Reversion Date is referred to in this description as the "*Suspension Period*."

The Issuer shall promptly upon its occurrence deliver to the Notes Trustee an Officer's Certificate notifying the Notes Trustee of the occurrence of any Covenant Suspension Event or Reversion Date, and the date thereof. The Notes Trustee shall not have any obligation to monitor the occurrence or dates of any Covenant Suspension Event or Reversion Date and may rely conclusively on such Officer's Certificate. The Notes Trustee shall not have any obligation to notify the holders of the occurrence or dates of any Covenant Suspension Event or Reversion Date.

On each Reversion Date, all Indebtedness Incurred, or Disqualified Stock or Preferred Stock issued, during the Suspension Period will be classified as having been Incurred or issued pursuant to the first paragraph of "*—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*" below or one of the clauses set forth in the second paragraph of "*—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*" below (to the extent such Indebtedness or Disqualified Stock or Preferred Stock would be permitted to be Incurred or issued thereunder as of the Reversion Date and after giving effect to Indebtedness Incurred or issued prior to the Suspension Period and outstanding on the Reversion Date). To the extent such Indebtedness or Disqualified Stock or Preferred Stock would not be so permitted to be Incurred or issued pursuant to the first or second paragraph of "*—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*," such Indebtedness or Disqualified Stock or Preferred Stock will be deemed to have been outstanding on the Issue Date, so that it is classified as permitted under clause (c) of the second paragraph under "*—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*." Calculations made after the Reversion Date of the amount available to be made as Restricted Payments under "*—Limitation on Restricted Payments*" will be made as though the covenant described under "*—Limitation on Restricted Payments*" had been in effect since the Issue Date and prior, but not during, the Suspension Period. Accordingly, Restricted Payments made during the Suspension Period will not reduce the amount available to be made as Restricted Payments under the first paragraph of "*—Limitation on Restricted Payments*." As described above, however, no Default or Event of Default will be deemed to have occurred on the Reversion Date as a result of any actions taken by the Issuer or its Restricted Subsidiaries during the Suspension Period. Within 30 days of such Reversion Date, the Issuer must comply with the terms of the covenant described under "*—Future Subsidiary Guarantors*."

For purposes of the "*—Asset Sales*" covenant, on the Reversion Date, the unutilized Excess Proceeds amount will be reset to zero.

There can be no assurance that the Notes will ever achieve or maintain Investment Grade Ratings.

Limited Condition Transactions

For purposes of (i) determining compliance with any provision of the Indenture that requires the calculation of the Senior Secured Indebtedness Leverage Ratio, the Total Secured Indebtedness Leverage Ratio, the Consolidated Leverage Ratio or the Fixed Charge Coverage Ratio, (ii) determining compliance with representations, warranties, Defaults or Events of Default or (iii) testing availability under baskets set forth in the Indenture (including baskets measured as a percentage of EBITDA or Total Assets), in each case, in connection with (a) an acquisition or other Investment permitted under the Indenture (including acquisitions and other Investments subject to a letter of intent or purchase agreement) by one or more of the Issuer and its Restricted Subsidiaries or (b) any unconditional repayment or redemption of, or offer to purchase, any Indebtedness of the Issuer or any Subsidiary (any such transaction referred to in clauses (a) and (b), and any action to be taken in connection therewith (including the Incurrence, issuance or repayment of any Indebtedness, the granting of any Liens, the making of any Restricted Payment or Permitted Investment, the consummation of any acquisition or disposition and any designation or revocation of a designation of an Unrestricted Subsidiary), a "*Limited Condition Transaction*"), at the option of the Issuer (the Issuer's election to exercise such option in connection with any Limited Condition Transaction, an "*LCT Election*") (and regardless of whether or not the applicable provision of the Indenture makes express reference to this provision, a Limited Condition Transaction, an LCT Election or an LCT Test Date), the date of determination of whether any Limited Condition Transaction or action to be taken in connection therewith is permitted under the Indenture (including for purposes of determining the U.S. dollar equivalent amount of any Limited Condition Transaction denominated in currencies other than U.S. dollars) shall be deemed to be, at the Issuer's election, the date the definitive agreements for such Limited Condition Transaction or commitments with respect to Indebtedness to be Incurred in connection therewith are entered into (or, solely in connection with an acquisition, consolidation or business combination to which the United Kingdom City Code on Takeovers and Mergers applies, the date on which a "Rule 2.7 Announcement" of a firm intention to make an offer is made (or, solely in connection with an acquisition, consolidation or business combination to which a similar law of any jurisdiction applies, a similar announcement or notice under such similar law of any jurisdiction is made)) (the "*LCT Test Date*"), and if, after giving effect to the Limited Condition Transaction and the other transactions to be entered into in connection therewith on a pro forma basis as if they had occurred at the beginning of the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the LCT Test Date, the Issuer could have taken such action on the relevant LCT Test Date in compliance with such representation, warranty, absence of Default or Event of Default, ratio or basket, such representation, warranty, absence of Default or Event of Default, ratio or basket shall be deemed to have been complied with. For the avoidance of doubt, if the Issuer has made an LCT Election and any of the ratios or baskets for which compliance was determined or tested as of the LCT Test Date are exceeded as a result of fluctuations in any such ratio or basket (including due to fluctuations of the target of any Limited Condition Transaction) at or prior to the consummation of the relevant transaction or action, such baskets or ratios will not be deemed to have been exceeded as a result of such fluctuations. If the Issuer has made an LCT Election for any Limited Condition Transaction, then in connection with any subsequent calculation of any ratio or basket on or following the relevant LCT Test Date and prior to the earlier of (i) the date on which such Limited Condition Transaction is consummated or (ii) the date that the definitive agreement for such Limited Condition Transaction is terminated or expires without consummation of such Limited Condition Transaction (or, solely in connection with a Limited Condition Transaction to which the United Kingdom City Code on Takeovers and Mergers (or any similar law of any jurisdiction) applies, the date on which the scheme or offer, as the case may be, lapses, terminates or is withdrawn (and is not substantially contemporaneously replaced with a new or renewed scheme or offer) without the consummation of such Limited Condition Transaction), any such ratio or basket shall be calculated on a pro forma basis assuming such Limited Condition Transaction and other transactions in connection therewith (including any Incurrence of Indebtedness and the use of proceeds thereof) had been consummated.

Basket and Ratio Calculations; Master Leases and Additional Leases

Notwithstanding anything in the Indenture to the contrary (i) unless the Issuer elects otherwise, if the Issuer or its Restricted Subsidiaries in connection with the consummation of any transaction or series of related transactions (A) Incurs Indebtedness, creates Liens, makes asset sales or other dispositions, makes Investments, makes Restricted Payments, designates any Subsidiary as restricted or unrestricted or repays any Indebtedness or takes any other action under or as permitted by a ratio-based basket and (B) Incurs Indebtedness, creates Liens, makes asset sales or other dispositions, makes Investments, makes Restricted Payments, designates any Subsidiary as restricted or unrestricted or repays any Indebtedness or takes any other action under a non-ratio-based basket (including borrowings under any

revolving credit facility) (which shall occur on the same business day as the events in clause (A) above), then the applicable ratio will be calculated with respect to any such action under the applicable ratio-based basket without regard to any such action under such non-ratio-based basket made in connection with such transaction or series of related transactions and (ii) if the Issuer or its Restricted Subsidiaries enters into any revolving, delayed draw or other committed debt facility, the Issuer may elect to determine compliance of such debt facility (including the Incurrence of Indebtedness and Liens from time to time in connection therewith) with the Indenture on the date definitive loan documents with respect thereto are executed by all parties thereto (or such other date as permitted by the Limited Condition Transaction provisions), assuming the full amount of such facility is Incurred (and any applicable Liens are granted) on such date, in lieu of determining such compliance on any subsequent date (including any date on which Indebtedness is Incurred pursuant to such facility).

Notwithstanding anything to the contrary in the Indenture, for all purposes of the Indenture, (a) the Master Leases and any Gaming Lease (and any Guarantee of the foregoing) shall not constitute Indebtedness, Liens or a Capitalized Lease Obligation regardless of how such Master Lease or Gaming Lease may be treated under GAAP, (b) any interest portion of payments in connection with such Master Lease or Gaming Lease shall not constitute Consolidated Interest Expense or Consolidated Cash Interest Expense (or terms of similar effect) and (c) EBITDA and Consolidated Net Income (and terms of similar effect) shall be calculated by deducting, without duplication of amounts otherwise deducted, rent, insurance, property taxes and other amounts and expenses actually paid in cash under the Master Leases or any Gaming Lease in the applicable period and no deductions in calculating EBITDA or Consolidated Net Income (and terms of similar effect) shall occur as a result of imputed interest, amounts under the Master Leases or any Gaming Lease not paid in cash during the relevant period or other non-cash amounts incurred in respect of the Master Leases or any Gaming Lease; *provided* that any "true-up" of rent paid in cash pursuant to the Master Leases or any Gaming Lease shall be accounted for in the fiscal quarter to which such payment relates as if such payment were originally made in such fiscal quarter.

Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock

The Indenture will provide that:

(1) the Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, Incur any Indebtedness (including Acquired Indebtedness) or issue any shares of Disqualified Stock; and

(2) the Issuer will not permit any of its Restricted Subsidiaries (other than an Issuer or a Subsidiary Guarantor) to issue any shares of Preferred Stock;

provided, *however*, that the Issuer or any Subsidiary Guarantor may Incur Indebtedness (including Acquired Indebtedness) or issue shares of Disqualified Stock, and, subject to the third paragraph of this covenant, any Restricted Subsidiary that is not a Subsidiary Guarantor may Incur Indebtedness (including Acquired Indebtedness), issue shares of Disqualified Stock or issue shares of Preferred Stock, in each case if the Fixed Charge Coverage Ratio of the Issuer for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is Incurred or such Disqualified Stock or Preferred Stock is issued would have been at least 2.00 to 1.00 determined on a pro forma basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been Incurred, or the Disqualified Stock or Preferred Stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such four-quarter period.

The foregoing limitations will not apply to:

(a) the Incurrence by the Issuer or any Restricted Subsidiary of Indebtedness under any Credit Agreement and the issuance and creation of letters of credit and bankers' acceptances thereunder (including any Indebtedness of the Issuer or any Restricted Subsidiaries, the proceeds of which Indebtedness are used to repay Indebtedness under such Credit Agreement) up to an aggregate principal amount outstanding at the time of Incurrence that does not exceed (x) $11.4 billion plus (y) the greater of (1) $2,600.0 million and (2) 100% of EBITDA for the Applicable Measurement Period at time of Incurrence plus (z) an additional aggregate principal amount of Indebtedness outstanding at any one time that does not cause (1) in the case of Indebtedness constituting First Priority Lien Obligations, the Senior Secured Indebtedness Leverage Ratio of the Issuer for the Applicable Measurement Period, determined on a pro forma basis, to exceed, at the

Issuer's election, (A) 4.50 to 1.00 or (B) if such Indebtedness is incurred to finance an acquisition or other Investment permitted under the Indenture, the Senior Secured Indebtedness Leverage Ratio immediately prior to giving effect to such acquisition or permitted Investment (assuming for purposes of this clause (a)(z)(1) that all Indebtedness Incurred under this clause (a)(z)(1) constitutes First Priority Lien Obligations) and (2) in the case of other Indebtedness, the Total Secured Indebtedness Leverage Ratio of the Issuer for the Applicable Measurement Period, determined on a pro forma basis, to exceed, at the Issuer's election, (A) 4.75 to 1.00 or (B) if such Indebtedness is incurred to finance an acquisition or other Investment permitted under the Indenture, the Total Secured Indebtedness Leverage Ratio immediately prior to giving effect to such acquisition or permitted Investment (assuming for purposes of this clause (a)(z)(2) that all Indebtedness Incurred under this clause (a)(z)(2) constitutes Secured Indebtedness);

(b) the Incurrence of the Notes issued on the Issue Date;

(c) Indebtedness existing or committed on the Issue Date after giving effect to the Transactions (other than Indebtedness described in clauses (a) or (b));

(d) Indebtedness (including Capitalized Lease Obligations and slot financing arrangements) Incurred by the Issuer or any Restricted Subsidiary, Disqualified Stock issued by the Issuer or any Restricted Subsidiary and Preferred Stock issued by any Restricted Subsidiary to finance (whether prior to or within 270 days after) the acquisition, lease, construction, repair, replacement or improvement of property (real or personal) or equipment (whether through the direct purchase of assets or the Capital Stock of any Person owning such assets);

(e) Indebtedness Incurred by the Issuer or any Restricted Subsidiary constituting reimbursement or indemnification obligations with respect to letters of credit and bank guarantees issued in the ordinary course of business, including without limitation letters of credit in respect of workers' compensation claims, health, disability or other benefits to employees or former employees or their families or property, casualty or liability insurance or self-insurance, and letters of credit in connection with the maintenance of, or pursuant to the requirements of, environmental or other permits or licenses from governmental authorities, or other Indebtedness with respect to reimbursement-type obligations regarding workers' compensation claims;

(f) Indebtedness arising from agreements (including leases) of the Issuer or any Restricted Subsidiary providing for indemnification, adjustment of purchase price, deferred purchase price or similar obligations (including earnouts), in each case, Incurred in connection with the Transactions, the Designated Operating Leases or any Investment or acquisition or disposition of any business, assets or a Subsidiary of the Issuer in accordance with the terms of the Indenture, other than guarantees of Indebtedness Incurred by any Person acquiring all or any portion of such business, assets or Subsidiary for the purpose of financing such acquisition;

(g) Indebtedness of the Issuer to any Restricted Subsidiary; *provided* that (except in respect of intercompany current liabilities Incurred in the ordinary course of business in connection with the cash management, tax and accounting operations of the Issuer and its Subsidiaries) any such Indebtedness owed to a Restricted Subsidiary that is not the Issuer or a Subsidiary Guarantor is subordinated in right of payment to the obligations of the Issuer under the Notes or Subsidiary Guarantors under the Note Guarantees, as applicable; *provided*, *further*, that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such Indebtedness (except to the Issuer or another Restricted Subsidiary or any pledge of such Indebtedness constituting a Permitted Lien) shall be deemed, in each case, to be an Incurrence of such Indebtedness not permitted by this clause (g);

(h) shares of Preferred Stock of the Issuer or a Restricted Subsidiary issued to the Issuer or another Restricted Subsidiary; *provided* that any subsequent issuance or transfer of any Capital Stock or any other event which results in any Restricted Subsidiary that holds such shares of Preferred Stock of another Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such shares of Preferred Stock (except to the Issuer or another Restricted Subsidiary) shall be deemed, in each case, to be an issuance of shares of Preferred Stock not permitted by this clause (h);

(i) Indebtedness of a Restricted Subsidiary to the Issuer or another Restricted Subsidiary; *provided* that if a Subsidiary Guarantor Incurs such Indebtedness to a Restricted Subsidiary that is not the Issuer or a Subsidiary Guarantor (except in respect of intercompany current liabilities Incurred in the ordinary course of business in connection with the cash management, tax and accounting operations of the Issuer and its Subsidiaries), such Indebtedness is subordinated in right of payment to the obligations of such Subsidiary Guarantor in respect of the Notes; *provided*, *further*, that any subsequent issuance or transfer of any Capital Stock or any other event which results in any Restricted Subsidiary holding such Indebtedness ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such Indebtedness (except to the Issuer or another Restricted Subsidiary or any pledge of such Indebtedness constituting a Permitted Lien) shall be deemed, in each case, to be an Incurrence of such Indebtedness not permitted by this clause (i);

(j) Hedging Obligations that are not Incurred for speculative purposes but (1) for the purpose of fixing or hedging interest rate risk with respect to any Indebtedness that is permitted by the terms of the Indenture to be outstanding; (2) for the purpose of fixing or hedging currency exchange rate risk with respect to any currency exchanges; or (3) for the purpose of fixing or hedging commodity price risk with respect to any commodity purchases or sales and, in each case, extensions or replacements thereof;

(k) obligations (including reimbursement Obligations with respect to letters of credit and bank guarantees) in respect of performance, bid, appeal and surety bonds and similar obligations provided by the Issuer or any Restricted Subsidiary in connection with a Project or in the ordinary course of business or consistent with past practice or industry practice, including those Incurred to secure health, safety and environmental obligations in the ordinary course of business or consistent with past practice or industry practice;

(l) other Indebtedness or Disqualified Stock of the Issuer or, subject to the third paragraph of this covenant, Indebtedness, Disqualified Stock or Preferred Stock of any Restricted Subsidiary in an aggregate principal amount or liquidation preference, which when aggregated with the principal amount or liquidation preference of all other Indebtedness, Disqualified Stock and Preferred Stock then outstanding and Incurred pursuant to this clause (l), does not exceed the greater of $750 million and 32.5% of EBITDA for the Applicable Measurement Period at the time of Incurrence (it being understood that any Indebtedness Incurred pursuant to this clause (l) shall cease to be deemed Incurred or outstanding for purposes of this clause (l) but shall be deemed Incurred for purposes of the first paragraph of this covenant from and after the first date on which the Issuer, or the Restricted Subsidiary, as the case may be, could have Incurred such Indebtedness under the first paragraph of this covenant without reliance upon this clause (l));

(m) Indebtedness or Disqualified Stock of the Issuer or any Restricted Subsidiary and Preferred Stock of any Restricted Subsidiary in an aggregate principal amount or liquidation preference not greater than 100% of the net cash proceeds received by the Issuer or any Restricted Subsidiary since July 6, 2020 from the issue or sale of Equity Interests of the Issuer or cash contributed to the capital of the Issuer (in each case other than proceeds of Disqualified Stock or sales of Equity Interests to, or contributions received from, the Issuer or any Subsidiary) as determined in accordance with clauses (2) and (3) of the definition of "Cumulative Credit" to the extent such net cash proceeds or cash have not been applied pursuant to such clauses to make Restricted Payments or to make other Investments, payments or exchanges pursuant to the third paragraph of "*—Limitation on Restricted Payments*" or to make Permitted Investments (other than Permitted Investments specified in clauses (1) and (3) of the definition thereof);

(n) any guarantee by the Issuer or any Restricted Subsidiary of Indebtedness or other obligations of the Issuer or any Restricted Subsidiary so long as the Incurrence of such Indebtedness or other obligations Incurred by the Issuer or such Restricted Subsidiary is permitted under the terms of the Indenture; *provided* that (i) if such Indebtedness is by its express terms subordinated in right of payment to the Notes or the obligations of the Issuer or a Subsidiary Guarantor in respect of the Notes, as applicable, any such guarantee with respect to such Indebtedness shall be subordinated in right of payment to such Subsidiary Guarantor's obligations with respect to the Notes substantially to the same extent as such Indebtedness is subordinated to the Notes or the obligations of such Subsidiary Guarantor in respect of the Notes, as applicable, and (ii) if such guarantee is of Indebtedness of the Issuer, such guarantee is Incurred in accordance with, or not in contravention of, the covenant described under "*—Future Subsidiary Guarantors*" solely to the extent such covenant is applicable;

(o) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness or Disqualified Stock or Preferred Stock of a Restricted Subsidiary which serves to refund, refinance or defease any Indebtedness Incurred or Disqualified Stock or Preferred Stock issued as permitted under the first paragraph of this covenant and clauses (a)(y), (a)(z), (b), (c), (d), (l), (m), (o), (p), (w), (x), (aa) and (jj) of this paragraph or any Indebtedness, Disqualified Stock or Preferred Stock Incurred to so refund or refinance such Indebtedness, Disqualified Stock or Preferred Stock, including any additional Indebtedness, Disqualified Stock or Preferred Stock Incurred to pay premiums (including tender premiums), accrued interest, expenses, defeasance costs and fees in connection therewith (subject to the following proviso, "*Refinancing Indebtedness*") prior to its respective maturity; *provided*, *however*, that such Refinancing Indebtedness:

(1) has a Weighted Average Life to Maturity at the time such Refinancing Indebtedness is Incurred which is not less than the shorter of (x) the remaining Weighted Average Life to Maturity of the Indebtedness, Disqualified Stock or Preferred Stock being refunded, refinanced or defeased and (y) the Weighted Average Life to Maturity that would result if all payments of principal on the Indebtedness, Disqualified Stock and Preferred Stock being refunded or refinanced that were due on or after the date that is one year following the last maturity date of any Notes then outstanding were instead due on such date;

(2) to the extent such Refinancing Indebtedness refinances (a) Indebtedness subordinated in right of payment to the Notes or the obligations of such Restricted Subsidiary in respect of the Notes, as applicable, such Refinancing Indebtedness is subordinated in right of payment to the Notes or such obligations of such Restricted Subsidiary, as applicable, or (b) Disqualified Stock or Preferred Stock, such Refinancing Indebtedness is Disqualified Stock or Preferred Stock; and

(3) shall not include Indebtedness of the Issuer or a Restricted Subsidiary that refinances Indebtedness of an Unrestricted Subsidiary;

provided, *further*, that subclause (1) of this clause (o) will not apply to any refunding or refinancing of any Secured Indebtedness constituting First Priority Lien Obligations.

(p) Indebtedness, Disqualified Stock or Preferred Stock of (x) the Issuer or, subject to the third paragraph of this covenant, any of the Restricted Subsidiaries, Incurred to finance an acquisition or (y) Persons that are acquired by the Issuer or any of the Restricted Subsidiaries or merged, consolidated or amalgamated with or into the Issuer or any of the Restricted Subsidiaries in accordance with the terms of the Indenture; *provided* that after giving effect to such acquisition or merger, consolidation or amalgamation, either:

(1) the Issuer would be permitted to Incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of this covenant; or

(2) the Fixed Charge Coverage Ratio of the Issuer would be equal to or greater than immediately prior to such acquisition or merger, consolidation or amalgamation;

(q) Indebtedness Incurred by a Receivables Subsidiary in a Qualified Receivables Financing that is not recourse to the Issuer or any Restricted Subsidiary other than a Receivables Subsidiary (except for Standard Securitization Undertakings);

(r) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business or other cash management services in the ordinary course of business;

(s) Indebtedness of the Issuer or any Restricted Subsidiary supported by a letter of credit or bank guarantee issued pursuant to any Credit Agreement, in a principal amount not in excess of the stated amount of such letter of credit;

(t) Indebtedness in respect of letters of credit, bank guarantees, warehouse receipts or similar instruments issued to support performance obligations and trade letters of credit (other than obligations in respect of other Indebtedness) in the ordinary course of business or consistent with past practice or industry practice;

(u) Indebtedness of the Issuer or any Restricted Subsidiary consisting of (1) the financing of insurance premiums or (2) take-or-pay obligations contained in supply arrangements, in each case, in the ordinary course of business;

(v) Indebtedness consisting of Indebtedness issued by the Issuer or a Restricted Subsidiary to current or former officers, directors and employees thereof or any direct or indirect parent thereof, their respective estates, spouses or former spouses, in each case to finance the purchase or redemption of Equity Interests of the Issuer to the extent permitted under the covenant described under "*—Limitation on Restricted Payments*";

(w) Indebtedness constituting Qualified Non-Recourse Debt or Indebtedness in connection with any Project Financing in an aggregate outstanding principal amount that, when aggregated with the principal amount of all other Indebtedness then outstanding and Incurred pursuant to this clause (w) and clause (aa) of this paragraph, does not exceed $1.5 billion;

(x) Indebtedness of, or Incurred on behalf of, or representing Guarantees of Indebtedness of, joint ventures of the Issuer or any Restricted Subsidiary not in excess, at any one time outstanding, of the greater of $340 million and 15.0% of EBITDA for the Applicable Measurement Period;

(y) to the extent constituting Indebtedness, agreements to pay service fees to professionals (including architects, engineers and designers) in furtherance of and/or in connection with a Project, in each case to the extent such agreements and related payment provisions are reasonably consistent with commonly accepted industry practices (*provided* that no such agreements shall give rise to Indebtedness for borrowed money);

(z) Indebtedness of Restricted Subsidiaries that are not a Subsidiary Guarantor; *provided*, *however*, that the aggregate principal amount of Indebtedness Incurred under this clause (z), when aggregated with the principal amount of all other Indebtedness then outstanding and Incurred pursuant to this clause (z), does not exceed the greater of $350 million and 15.0% of EBITDA for the Applicable Measurement Period at the time of Incurrence (it being understood that any Indebtedness Incurred pursuant to this clause (z) shall cease to be deemed Incurred or outstanding for purposes of this clause (z) but shall be deemed Incurred for the purposes of the first paragraph of this covenant from and after the first date on which such Restricted Subsidiary could have Incurred such Indebtedness under the first paragraph of this covenant without reliance upon this clause (z));

(aa) Indebtedness used to finance, or Incurred, assumed or issued for the purpose of financing, or constituting Guarantees of Indebtedness of joint ventures, Restricted Subsidiaries or Unrestricted Subsidiaries Incurred, assumed or issued for the purpose of financing, Expansion Capital Expenditures or Development Projects in an aggregate outstanding principal amount that, when aggregated with the principal amount of all other Indebtedness then outstanding and Incurred pursuant to clause (w) of this paragraph, does not exceed $1.5 billion, so long as no Event of Default shall have occurred and be continuing;

(bb) Indebtedness Incurred in the ordinary course of business in respect of obligations of the Issuer or any Restricted Subsidiary to pay the deferred purchase price of goods or services or progress payments in connection with such goods and services; *provided* that such obligations are Incurred in connection with open accounts extended by suppliers on customary trade terms in the ordinary course of business and not in connection with the borrowing of money or any Hedging Obligations;

(cc) Indebtedness representing deferred compensation to employees, consultants or independent contractors of the Issuer (or, to the extent such work is done for the Issuer or its Restricted Subsidiaries, any direct or indirect parent thereof) or any Restricted Subsidiary Incurred in the ordinary course of business;

(dd) Indebtedness of the Issuer and the Restricted Subsidiaries Incurred under lines of credit or overdraft facilities (including, but not limited to, ACH and purchasing card/T&E services) extended by one or more financial institutions established for the Issuer's and its Restricted Subsidiaries' ordinary course operations (such Indebtedness, the "*Overdraft Line*"), which Indebtedness may be secured by the security documents securing the Bank Indebtedness;

(ee) Indebtedness consisting of obligations of the Issuer or any Restricted Subsidiary under deferred compensation or other similar arrangements Incurred by such Person in connection with the Transactions or any acquisition or Investment permitted under the Indenture;

(ff) Indebtedness of the Issuer or any Restricted Subsidiary to or on behalf of any joint venture (regardless of the form of legal entity) or other subsidiary that is not a Restricted Subsidiary arising in the ordinary course of business in connection with the cash management, tax and accounting operations (including with respect to intercompany self-insurance arrangements) of the Issuer and the Subsidiaries;

(gg) obligations in respect of cash management agreements;

(hh) (x) Discharged Indebtedness and (y) Escrowed Indebtedness; *provided* that, in the case of this clause (y) from and after the release of such Indebtedness from escrow, it shall no longer be deemed Escrowed Indebtedness under the Indenture;

(ii) [reserved];

(jj) at any time that the CRC Credit Agreement or the CRC Secured Indenture are in effect, Indebtedness (including Guarantees) of CRC and its Subsidiaries in an aggregate principal amount at any time outstanding not to exceed the aggregate principal amount of Indebtedness that would be permitted to be Incurred on the date of Incurrence thereof by CRC and its Subsidiaries pursuant to clause (2) of the Incremental Amount (as defined in the CRC Credit Agreement as in effect on February 6, 2023 immediately prior to the termination thereof and giving effect to the proviso to such definition) as permitted under Section 2.21 of the CRC Credit Agreement, Section 6.01(h) of the CRC Credit Agreement, Section 6.01(r) of the CRC Credit Agreement, Section 6.01(dd) of the CRC Credit Agreement, in each case, as in effect on February 6, 2023 immediately prior to the termination thereof, and clause (2) of the Incremental Amount (as defined in the CRC Credit Agreement as in effect on February 6, 2023 immediately prior to the termination thereof and giving effect to the proviso to such definition) as permitted under Section 6.01(ee) of the CRC Credit Agreement (as in effect on February 6, 2023 immediately prior to the termination thereof and whether incurred under the CRC Credit Agreement or pursuant to a separate instrument) (it being agreed that any Indebtedness (including Guarantees) of CRC and its Subsidiaries Incurred (or committed) pursuant to this clause (jj) while the CRC Credit Agreement or the CRC Secured Indenture is in effect shall be permitted by this clause (jj) after the CRC Credit Agreement and the CRC Secured Indenture are terminated); *provided*, *however*, that the aggregate principal amount of Indebtedness Incurred under this clause (jj), when aggregated with the principal amount of all other Indebtedness then outstanding and Incurred pursuant to this clause (jj), does not exceed $1,005.5 million;

(kk) Indebtedness owed to Capri Insurance Company in respect of premiums and reserves in an aggregate principal amount not to exceed $25 million at any one time outstanding; and

(ll) Permitted Non-Recourse Guarantees.

Restricted Subsidiaries that are not a Subsidiary Guarantor may not Incur (but may assume) Indebtedness or issue Disqualified Stock or Preferred Stock under the first paragraph of this covenant or clause (p)(x) of the second paragraph of this covenant if, after giving pro forma effect to such Incurrence or issuance (including a pro forma application of the net proceeds therefrom), the aggregate amount of Indebtedness and Disqualified Stock and Preferred Stock of Restricted Subsidiaries that are not a Subsidiary Guarantor Incurred (but not assumed) or issued pursuant to the first paragraph of this covenant and clause (p)(x) of the second paragraph of this covenant, collectively, would exceed the greater of $400 million and 17.5% of EBITDA for the Applicable Measurement Period.

For purposes of determining compliance with this covenant:

(1) in the event that an item of Indebtedness, Disqualified Stock or Preferred Stock (or any portion thereof) meets the criteria of more than one of the categories of permitted Indebtedness described in clauses (a) through (ll) above or is entitled to be Incurred pursuant to the first paragraph of this covenant, the Issuer shall, in its sole discretion, classify or reclassify, or later divide, classify or reclassify (as if incurred at such later time), such item of Indebtedness, Disqualified Stock or Preferred Stock (or any portion thereof) in any manner that complies with this covenant and at the time of Incurrence, classification or reclassification shall be entitled to only include the amount and type of such item of Indebtedness (or any portion thereof) in one of the above paragraphs or clauses (or any portion thereof) and such item of Indebtedness (or any portion thereof) shall be treated as having been Incurred or existing pursuant to only such paragraph or clause or paragraphs or clauses (or any portion thereof) without giving pro forma effect to any such item (or portion thereof) when calculating the amount of Indebtedness that may be Incurred, classified or reclassified pursuant to any other paragraph or clause (or portion thereof) at such time; and

(2) if the use of proceeds from any Incurrence of Indebtedness is to fund the refinancing of any Indebtedness, then such refinancing shall be deemed to have occurred substantially simultaneously with such Incurrence so long as (a) such refinancing occurs on the same business day as such Incurrence, (b) if such proceeds will be offered (through a tender offer or otherwise) to the holders of such Indebtedness to be refinanced, the proceeds thereof are deposited with a trustee, agent or other representative for such holders pending the completion of such offer on the same business day as such Incurrence (and such proceeds are ultimately used in the consummation of such offer or otherwise used to refinance Indebtedness), (c) if such proceeds will be used to fund the redemption, discharge or defeasance of such Indebtedness to be refinanced, the proceeds thereof are deposited with a trustee, agent or other representative for such Indebtedness pending such redemption, discharge or defeasance on the same business day as such Incurrence or (d) the proceeds thereof are otherwise set aside to fund such refinancing (and such proceeds are ultimately used for such refinancing).

Accrual of interest, the accretion of accreted value, the payment of interest or dividends in the form of additional Indebtedness, Disqualified Stock or Preferred Stock, as applicable, amortization of original issue discount, the accretion of liquidation preference and increases in the amount of Indebtedness outstanding solely as a result of fluctuations in the exchange rate of currencies will not be deemed to be an Incurrence of Indebtedness, Disqualified Stock or Preferred Stock for purposes of this covenant and for the avoidance of doubt, with respect to any Indebtedness permitted to be Incurred under the Indenture on the date of Incurrence, any Increased Amount of such Indebtedness shall also be permitted under the Indenture after the date of such Incurrence. Guarantees of, or Obligations in respect of letters of credit relating to, Indebtedness which is otherwise included in the determination of a particular amount of Indebtedness shall not be included in the determination of such amount of Indebtedness; *provided* that the Incurrence of the Indebtedness represented by such guarantee or letter of credit, as the case may be, was in compliance with this covenant.

For purposes of determining compliance with any U.S. dollar-denominated restriction on the Incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was Incurred, in the case of term debt, or first committed or first Incurred (whichever yields the lower U.S. dollar equivalent), in the case of revolving credit debt; *provided* that if such Indebtedness is Incurred (in respect of term Indebtedness) or committed (in respect of revolving Indebtedness) to refinance other Indebtedness denominated in a foreign currency (or in a different currency from the Indebtedness being refinanced), and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced plus the aggregate amount of fees, underwriting discounts, premiums (including tender premiums), defeasance costs and other costs and expenses Incurred in connection with such refinancing.

Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that the Issuer and the Restricted Subsidiaries may Incur pursuant to this covenant shall not be deemed to be exceeded, with respect to any outstanding Indebtedness, solely as a result of fluctuations in the exchange rate of currencies. The principal amount of any Indebtedness Incurred to refinance other Indebtedness, if Incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

Limitation on Restricted Payments

The Indenture will provide that the Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any distribution on account of any of the Issuer's or any of its Restricted Subsidiaries' Equity Interests, including any payment made in connection with any merger, amalgamation or consolidation involving the Issuer (other than (A) dividends or distributions payable solely in Equity Interests (other than Disqualified Stock) of the Issuer; or (B) dividends or distributions by a Restricted Subsidiary so long as, in the case of any dividend or distribution payable on or in respect of any class or series of securities issued by a Restricted Subsidiary other than a Wholly Owned Restricted Subsidiary, the Issuer or a Restricted Subsidiary receives at least its pro rata share of such dividend or distribution in accordance with its Equity Interests in such class or series of securities);

(2) purchase or otherwise acquire or retire for value any Equity Interests of the Issuer;

(3) make any principal payment on, or redeem, repurchase, defease or otherwise acquire or retire for value, in each case prior to any scheduled repayment or scheduled maturity, any Subordinated Indebtedness of the Issuer or any Subsidiary Guarantor (other than the payment, redemption, repurchase, defeasance, acquisition or retirement of (A) Subordinated Indebtedness in anticipation of satisfying a sinking fund Obligation, principal installment or final maturity, in each case due within one year of the date of such payment, redemption, repurchase, defeasance, acquisition or retirement and (B) Indebtedness permitted under clauses (g) and (i) of the second paragraph of the covenant described under "*—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*"); or

(4) make any Restricted Investment

(all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as "*Restricted Payments*"), unless, at the time of such Restricted Payment:

(a) no Event of Default shall have occurred and be continuing or would occur as a consequence thereof;

(b) immediately after giving effect to such transaction on a pro forma basis, the Issuer could Incur $1.00 of additional Indebtedness under the provisions of the first paragraph of the covenant described under "*—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*"; and

(c) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Issuer and its Restricted Subsidiaries after the Issue Date (including Restricted Payments permitted by clause (2) (with respect to the payment of dividends on Refunding Capital Stock (as defined herein) pursuant to clause (c) thereof), (6)(b), (8) and (19) of the next succeeding paragraph, but excluding all other Restricted Payments permitted by the next succeeding paragraph), is less than the amount equal to the Cumulative Credit.

"*Cumulative Credit*" means the sum of (without duplication):

(1) 50% of the Consolidated Net Income of the Issuer for the period (taken as one accounting period) from July 1, 2020 to the end of the Issuer's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, in the case such Consolidated Net Income for such period is a deficit, minus 100% of such deficit); plus

(2) 100% of the aggregate net proceeds, including cash and the Fair Market Value (as determined in good faith by the Issuer) of property other than cash, received by the Issuer after July 6, 2020 (other than net proceeds to the extent such net proceeds have been used to Incur Indebtedness, Disqualified Stock, or Preferred Stock pursuant to clause (m) of the second paragraph of the covenant described under "*—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*") from the issue or sale of Equity Interests of the Issuer

(excluding Refunding Capital Stock (as defined herein), Designated Preferred Stock, Excluded Contributions and Disqualified Stock), including Equity Interests issued upon exercise of warrants or options (other than an issuance or sale to a Restricted Subsidiary); plus

(3) 100% of the aggregate amount of contributions to the capital of the Issuer received in cash and the Fair Market Value (as determined in good faith by the Issuer) of property other than cash after July 6, 2020 (other than Excluded Contributions, Refunding Capital Stock, Designated Preferred Stock and Disqualified Stock and other than contributions to the extent such contributions have been used to Incur Indebtedness, Disqualified Stock or Preferred Stock pursuant to clause (m) of the second paragraph of the covenant described under "*—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*"); plus

(4) 100% of the principal amount of any Indebtedness, or the liquidation preference or maximum fixed repurchase price, as the case may be, of any Disqualified Stock, of the Issuer or any Restricted Subsidiary issued after July 6, 2020 (other than Indebtedness or Disqualified Stock issued to a Restricted Subsidiary) which has been converted into or exchanged for Equity Interests in the Issuer (other than Disqualified Stock); plus

(5) 100% of the aggregate amount received by the Issuer or any Restricted Subsidiary in cash and the Fair Market Value (as determined in good faith by the Issuer) of property other than cash received by the Issuer or any Restricted Subsidiary after July 6, 2020 from:

(A) the sale or other disposition (other than to the Issuer or a Restricted Subsidiary) of Restricted Investments made by the Issuer and the Restricted Subsidiaries and from repurchases and redemptions of such Restricted Investments from the Issuer and the Restricted Subsidiaries by any Person (other than the Issuer or any of its Restricted Subsidiaries) and from repayments of loans or advances, and releases of guarantees, which constituted Restricted Investments;

(B) the sale (other than to the Issuer or a Restricted Subsidiary) of the Capital Stock of an Unrestricted Subsidiary; or

(C) a distribution or dividend from an Unrestricted Subsidiary; plus

(6) in the event any Unrestricted Subsidiary has been redesignated as a Restricted Subsidiary or has been merged, consolidated or amalgamated with or into, or transfers or conveys its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary after July 6, 2020, the Fair Market Value (as determined in good faith by the Issuer) of the Investment of the Issuer in such Unrestricted Subsidiary at the time of such redesignation, combination or transfer (or of the assets transferred or conveyed, as applicable).

The foregoing provisions will not prohibit:

(1) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration thereof, if at the date of declaration or the consummation of any irrevocable redemption, as applicable, such payment would have complied with the provisions of the Indenture;

(2) (a) the redemption, repurchase, retirement or other acquisition of any Equity Interests ("*Retired Capital Stock*") or Subordinated Indebtedness of the Issuer or any Subsidiary Guarantor in exchange for, or out of the proceeds of, the substantially concurrent sale of, Equity Interests of the Issuer or contributions to the equity capital of the Issuer (other than any Disqualified Stock or any Equity Interests sold to a Subsidiary of the Issuer) (collectively, including any such contributions, "*Refunding Capital Stock*");

(b) the declaration and payment of dividends on the Retired Capital Stock out of the proceeds of the substantially concurrent sale (other than to a Subsidiary of the Issuer) of Refunding Capital Stock; and

(c) if immediately prior to the retirement of Retired Capital Stock, the declaration and payment of dividends thereon was permitted under clause (6) of this paragraph and not made pursuant to clause (2)(b), the declaration and payment of dividends on the Refunding Capital Stock in an aggregate amount

per year no greater than the aggregate amount of dividends per annum that were declarable and payable on such Retired Capital Stock immediately prior to such retirement;

(3) the redemption, repurchase, defeasance or other acquisition or retirement of Subordinated Indebtedness of the Issuer or a Subsidiary Guarantor made by exchange for, or out of the proceeds of the substantially concurrent sale of, new Indebtedness of the Issuer or a Subsidiary Guarantor which is Incurred in accordance with the covenant described under "*—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*" so long as:

(a) the principal amount (or accreted value, if applicable) of such new Indebtedness does not exceed the principal amount (or accreted value, if applicable), plus any accrued and unpaid interest, of the Subordinated Indebtedness being so redeemed, repurchased, defeased, acquired or retired for value (plus the amount of any premium required to be paid under the terms of the instrument governing the Subordinated Indebtedness being so redeemed, repurchased, acquired or retired, any tender premiums, plus any defeasance costs, fees and expenses Incurred in connection therewith);

(b) such Indebtedness is subordinated to the Notes or such Subsidiary Guarantor's obligations in respect of the Notes, as the case may be, at least to the same extent as such Subordinated Indebtedness so purchased, exchanged, redeemed, repurchased, defeased, acquired or retired for value;

(c) such Indebtedness has a final scheduled maturity date equal to or later than the earlier of (x) the final scheduled maturity date of the Subordinated Indebtedness being so redeemed, repurchased, acquired or retired and (y) 91 days following the last maturity date of any Notes then outstanding; and

(d) such Indebtedness has a Weighted Average Life to Maturity at the time Incurred which is not less than the shorter of (x) the remaining Weighted Average Life to Maturity of the Subordinated Indebtedness being so redeemed, repurchased, defeased, acquired or retired and (y) the Weighted Average Life to Maturity that would result if all payments of principal on the Subordinated Indebtedness being redeemed, repurchased, defeased, acquired or retired that were due on or after the date that is 91 days following the last maturity date of any Notes then outstanding were instead due on such date;

(4) a Restricted Payment to pay for the repurchase, retirement or other acquisition for value of Equity Interests of the Issuer held by any future, present or former employee, director or consultant of the Issuer or any Subsidiary of the Issuer pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or other agreement or arrangement; *provided*, *however*, that the aggregate Restricted Payments made under this clause (4) do not exceed $45 million in any calendar year (with unused amounts in any calendar year being permitted to be carried over to succeeding calendar years subject to a maximum (without giving effect to the following proviso) of $90 million in any calendar year); *provided*, *further*, however, that such amount in any calendar year may be increased by an amount not to exceed:

(a) the cash proceeds received by the Issuer or any of the Restricted Subsidiaries from the sale of Equity Interests (other than Disqualified Stock) of the Issuer to members of management, directors or consultants of the Issuer and the Restricted Subsidiaries that occurs after July 6, 2020 (*provided* that the amount of such cash proceeds utilized for any such repurchase, retirement, other acquisition or dividend will not increase the Cumulative Credit); plus

(b) the cash proceeds of key man life insurance policies received by the Issuer or the Restricted Subsidiaries after July 6, 2020;

provided that the Issuer may elect to apply all or any portion of the aggregate increase contemplated by clauses (a) and (b) above in any calendar year; and *provided*, *further*, that cancellation of Indebtedness owing to the Issuer or any Subsidiary from any present or former employees, directors, officers or consultants of the Issuer, any of the Subsidiaries or their direct or indirect parents in connection with a repurchase of Equity Interests of the Issuer will not be deemed to constitute a Restricted Payment for purposes of this covenant or any other provision of the Indenture;

(5) the declaration and payment of dividends or distributions to holders of any class or series of Disqualified Stock of the Issuer or any Restricted Subsidiary issued or incurred in accordance with the covenant

described under "*—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*" to the extent such dividends are included in the definition of "Fixed Charges";

(6) (a) the declaration and payment of dividends or distributions to holders of any class or series of Designated Preferred Stock (other than Disqualified Stock) issued after July 6, 2020; and

(b) the declaration and payment of dividends on Refunding Capital Stock that is Preferred Stock in excess of the dividends declarable and payable thereon pursuant to clause (2) of this paragraph;

provided, *however*, in the case of each of clauses (a) and (b) above of this clause (6), that for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date of issuance of such Designated Preferred Stock, after giving effect to such issuance (and the payment of dividends or distributions) on a pro forma basis, the Issuer would have had a Fixed Charge Coverage Ratio of at least 2.00 to 1.00;

(7) Investments in Unrestricted Subsidiaries having an aggregate Fair Market Value (as determined in good faith by the Issuer), taken together with all other Investments made pursuant to this clause (7) that are at that time outstanding, not to exceed the greater of $210 million and 10% of EBITDA for the Applicable Measurement Period at the time of such Investment (plus any returns (including dividends, interest, distributions, returns of principal, proceeds of sale, repayments, redemptions, income and similar amounts) actually received by the respective investor in respect of investments theretofore made by it pursuant to this clause (7)) (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value); *provided* that if any Investment pursuant to this clause (7) is made in any Unrestricted Subsidiary and such Unrestricted Subsidiary is redesignated a Restricted Subsidiary of the Issuer after such date, such redesignation shall increase the amount available pursuant to this clause (7) by an amount equal to the fair market value (as determined in good faith by the Issuer) of the Issuer's Investments in such Subsidiary previously made in reliance on this clause (7) at the time of such redesignation;

(8) the payment of dividends on the common stock of the Issuer of up to 6.0% per annum of the net proceeds received by the Issuer from any public offering of common stock of the Issuer, other than public offerings with respect to the Issuer's common stock registered on Form S-4 or Form S-8 and other than any public sale constituting an Excluded Contribution;

(9) Restricted Payments that are made with or in an amount equal to any Excluded Contributions;

(10) other Restricted Payments in an aggregate amount not to exceed the greater of $500 million and 22.5% of EBITDA for the Applicable Measurement Period at the time made;

(11) the distribution, as a dividend or otherwise, of shares of Capital Stock of, or Indebtedness owed to the Issuer or a Restricted Subsidiary by, Unrestricted Subsidiaries;

(12) [reserved];

(13) payments in respect of intercompany Indebtedness not in violation of any subordination terms applicable thereto;

(14) any Restricted Payment in connection with the Transactions, and the payment of fees and expenses Incurred in connection with the foregoing or owed by the Issuer or its Restricted Subsidiaries to Affiliates, and any other payments made, whether payable on the Issue Date or thereafter, in each case to the extent permitted by the covenant described under "*—Transactions with Affiliates*";

(15) any Restricted Payment made under any Master Lease, any Gaming Lease (solely to the extent that such Restricted Payment is (i) otherwise permitted or required under the applicable Gaming Lease or (ii) upon the terms no less favorable to the Issuer or relevant Restricted Subsidiary, as applicable, that would be obtained in a comparable arm's-length transaction with a Person that is not an Affiliate), any MLSA or any Operations Management Agreement;

(16) repurchases of Equity Interests deemed to occur upon exercise of stock options or warrants if such Equity Interests represent a portion of the exercise price of such options or warrants;

(17) purchases of receivables pursuant to a Receivables Repurchase Obligation in connection with a Qualified Receivables Financing and the payment or distribution of Receivables Fees;

(18) Restricted Payments by the Issuer or any Restricted Subsidiary to allow the payment of cash in lieu of the issuance of fractional shares upon the exercise of options or warrants or upon the conversion or exchange of Capital Stock of any such Person;

(19) the repurchase, redemption or other acquisition or retirement for value of any Subordinated Indebtedness pursuant to the provisions similar to those described under the captions "*—Change of Control*" and "*—Asset Sales*"; *provided* that all Notes tendered by holders of the Notes in connection with a Change of Control Offer or Asset Sale Offer, as applicable, have been repurchased, redeemed or acquired for value;

(20) payments or distributions to dissenting stockholders pursuant to applicable law, pursuant to or in connection with a consolidation, amalgamation, merger or transfer of all or substantially all of the assets of the Issuer and the Restricted Subsidiaries, taken as a whole, that complies with the covenant described under "*—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets*"; *provided* that as a result of such consolidation, amalgamation, merger or transfer of assets, the Issuer shall have made a Change of Control Offer (if required by the Indenture) and that all Notes tendered by holders in connection with such Change of Control Offer have been repurchased, redeemed or acquired for value; and

(21) any Restricted Payment so long as, after giving pro forma effect to such Restricted Payment, the Consolidated Leverage Ratio of the Issuer would not exceed 4.75 to 1.00;

provided, *however*, that at the time of, and after giving effect to, any Restricted Payment permitted under clauses (10) and (21) of this covenant, no Event of Default shall have occurred and be continuing or would occur as a consequence thereof; *provided*, *further*, that any Restricted Payments made with property other than cash shall be calculated using the Fair Market Value (as determined in good faith by the Issuer) of such property.

The Issuer will not permit any Unrestricted Subsidiary to become a Restricted Subsidiary except pursuant to the definition of "Unrestricted Subsidiary." For purposes of designating any Restricted Subsidiary as an Unrestricted Subsidiary, all outstanding Investments by the Issuer and the Restricted Subsidiaries (except to the extent repaid) in the Subsidiary so designated will be deemed to be Restricted Payments in an amount determined as set forth in the last sentence of the definition of "Investments." Such designation will only be permitted if a Restricted Payment or Permitted Investment in such amount would be permitted at such time and if such Subsidiary otherwise meets the definition of an Unrestricted Subsidiary.

For purposes of determining compliance with this covenant, (A) a Restricted Payment (including any Permitted Investment) need not be permitted solely by reference to one category of permitted Restricted Payments (or Permitted Investment) (or any portion thereof) described in the above clauses or the definition of "Permitted Investment" but may be permitted in part under any combination thereof and (B) in the event that a Restricted Payment (including any Permitted Investment) (or any portion thereof) meets the criteria of one or more of the categories of permitted Restricted Payments (including any Permitted Investment) (or any portion thereof) described in the above clauses (or in the definition of "Permitted Investment"), the Issuer may, in its sole discretion, classify or reclassify, or later divide, classify or reclassify (as if incurred at such later time), such permitted Restricted Payment (including Permitted Investments) (or any portion thereof) in any manner that complies with this covenant and at the time of classification or reclassification will be entitled to only include the amount and type of such Restricted Payment (including Permitted Investments) (or any portion thereof) in one of the categories of permitted Restricted Payments (or Permitted Investment) (or any portion thereof) described in the above clauses or in the definition of "Permitted Investment."

Dividend and Other Payment Restrictions Affecting Subsidiaries

The Indenture will provide that the Issuer will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any Restricted Subsidiary to:

(a) (i) pay dividends or make any other distributions to the Issuer or any Restricted Subsidiary (1) on its

Capital Stock or (2) with respect to any other interest or participation in, or measured by, its profits; or (ii) pay any Indebtedness owed to the Issuer or any Restricted Subsidiary;

(b) make loans or advances to the Issuer or any Restricted Subsidiary; or

(c) sell, lease or transfer any of its properties or assets to the Issuer or any Restricted Subsidiary; except in each case for such encumbrances or restrictions existing under or by reason of:

(1) contractual encumbrances or restrictions in effect, contemplated or committed on the Issue Date;

(2) the Indenture, the Notes and the Note Guarantees, the 2029 Notes Indenture, the 2029 Notes and any guarantees thereof, the 2027 Notes Indenture, the 2027 Notes and any guarantees thereof, any Credit Agreement and the other Credit Agreement Documents;

(3) applicable law or any applicable rule, regulation or order;

(4) any agreement or other instrument of a Person acquired by the Issuer or any Restricted Subsidiary or of an Unrestricted Subsidiary which is being designated as a Restricted Subsidiary which was in existence at the time of such acquisition or designation, as the case may be (but not created in contemplation thereof or to provide all or any portion of the funds or credit support utilized to consummate such acquisition or designation), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person and its Subsidiaries, or the property or assets of the Person and its Subsidiaries, so acquired;

(5) contracts or agreements for the sale or lease of assets, including any restriction with respect to the Issuer or a Restricted Subsidiary imposed pursuant to an agreement entered into for the sale, lease or disposition of the Capital Stock or assets of the Issuer or such Restricted Subsidiary;

(6) Secured Indebtedness otherwise permitted to be Incurred pursuant to the covenants described under "*—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*" and "*—Liens*" that apply only to the specific property or assets securing such Indebtedness and not all or substantially all assets;

(7) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business or under real property leases;

(8) customary provisions in joint venture agreements and other similar agreements;

(9) purchase money obligations for property acquired and Capitalized Lease Obligations in the ordinary course of business;

(10) customary provisions contained in leases, licenses and other similar agreements entered into in the ordinary course of business;

(11) customary provisions restricting assignment of any agreement entered into in the ordinary course of business;

(12) customary provisions restricting subletting or assignment of any lease governing a leasehold interest;

(13) any encumbrance or restriction of a Receivables Subsidiary effected in connection with a Qualified Receivables Financing; *provided*, *however*, that such restrictions apply only to such Receivables Subsidiary;

(14) other Indebtedness, Disqualified Stock or Preferred Stock (a) of the Issuer or any Restricted Subsidiary that is a Subsidiary Guarantor or a Foreign Subsidiary, (b) of any Restricted Subsidiary that is not a Subsidiary Guarantor or a Foreign Subsidiary so long as such encumbrances and restrictions contained in any agreement or instrument will not materially affect the Issuer's ability to make anticipated principal or interest payments on the Notes (as determined in good faith by the Issuer) or (c) of any Restricted Subsidiary Incurred in connection with any Project Financing, Qualified Non-Recourse Debt or Development Expense; *provided* that in the case of each of clauses (a) and (b), such Indebtedness, Disqualified Stock or Preferred Stock is permitted to be Incurred subsequent to the Issue Date by the covenant described under "*—Limitation on Incurrence of Indebtedness and*

Issuance of Disqualified Stock and Preferred Stock";

(15) any Restricted Investment not prohibited by the covenant described under "*—Limitation on Restricted Payments*" and any Permitted Investment;

(16) any encumbrance or restriction in any agreement related to the development or financing of a Project;

(17) restrictions contained in any Master Lease, any Gaming Lease, any MLSA or any Operations Management Agreement;

(18) customary provisions restricting the assignment of any agreement entered into in the ordinary course of business;

(19) customary restrictions and conditions contained in the document relating to any Lien, so long as (A) such Lien is permitted under the Indenture and such restrictions or conditions relate only to the specific asset subject to such Lien and (B) such restrictions and conditions are not created for the purpose of avoiding the restrictions imposed by this covenant;

(20) customary restrictions on leases, subleases, licenses or Equity Interests or asset sale agreements otherwise permitted by the Indenture as long as such restrictions relate to the Equity Interests and assets subject thereto;

(21) restrictions on pledges or the granting of Liens on the direct or indirect equity interests in CEOC;

(22) restrictions imposed by any agreement governing Indebtedness entered into on or after the Issue Date and otherwise permitted under the Indenture that are, taken as a whole, in the good faith judgment of the Issuer, no more restrictive with respect to the Issuer or any Restricted Subsidiary than customary market terms for Indebtedness of such type, so long as the Issuer shall have determined in good faith that such restrictions will not materially adversely affect its obligations or ability to make payments required under the Indenture; or

(23) any encumbrances or restrictions of the type referred to in clauses (a), (b) and (c) above imposed by any amendments, modifications, restatements, renewals, extensions, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (1) through (22) above; *provided* that such amendments, modifications, restatements, renewals, extensions, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Issuer, not more restrictive in any material respect with respect to such dividend and other payment restrictions than those contained in the dividend or other payment restrictions, taken as a whole, prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing or are otherwise in accordance with the terms of the applicable intercreditor agreement.

For purposes of determining compliance with this covenant, (1) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock shall not be deemed a restriction on the ability to make distributions on Capital Stock and (2) the subordination of loans or advances made to the Issuer or a Restricted Subsidiary to other Indebtedness Incurred by the Issuer or any such Restricted Subsidiary shall not be deemed a restriction on the ability to make loans or advances.

Asset Sales

The Indenture will provide that the Issuer will not, and will not permit any of the Restricted Subsidiaries to, cause or make an Asset Sale, unless (x) the Issuer or any Restricted Subsidiary (or in the case of an Interactive Entertainment Unrestricted Subsidiary Sale or a Convention Center Unrestricted Subsidiary Sale, an Unrestricted Subsidiary), as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value (as determined in good faith by the Issuer) of the assets sold or otherwise disposed of and (y) at least 75% of the consideration therefor received by the Issuer or such Restricted Subsidiary, as the case may be, is in the form of Cash Equivalents; *provided* that the amount of:

(a) (i) any liabilities (as shown on the Issuer's or such Restricted Subsidiary's most recent balance sheet or in the notes thereto) of the Issuer or any Restricted Subsidiary (other than liabilities that are

by their terms subordinated to the Notes or such Restricted Subsidiary's obligations in respect of the Notes) that are assumed by the transferee of any such assets or that are otherwise cancelled or terminated in connection with the transaction with such transferee and (ii) in the case of any Convention Center Unrestricted Subsidiary Sale or Interactive Entertainment Unrestricted Subsidiary Sale, any liabilities (as shown on the Issuer's, any Convention Center Unrestricted Subsidiary's or any Interactive Entertainment Unrestricted Subsidiary's, as applicable, most recent balance sheet or in the notes thereto) of the Issuer, any Convention Center Unrestricted Subsidiary or any Interactive Entertainment Unrestricted Subsidiary, as applicable, that are assumed by the transferee of any such assets or that are otherwise cancelled or terminated in connection with the transaction with such transferee;

(b) (i) any notes or other Obligations or other securities or assets received by the Issuer or such Restricted Subsidiary from such transferee that are converted by the Issuer or such Restricted Subsidiary into cash within 180 days of the receipt thereof (to the extent of the cash received) and (ii) in the case of any Convention Center Unrestricted Subsidiary Sale or Interactive Entertainment Unrestricted Subsidiary Sale, any notes or other Obligations or other securities or assets received by the Issuer or any Convention Center Unrestricted Subsidiary or any Interactive Entertainment Unrestricted Subsidiary, as applicable, from such transferee that are converted by the Issuer or such Convention Center Unrestricted Subsidiary or any Interactive Entertainment Unrestricted Subsidiary, as applicable, into cash within 180 days of the receipt thereof (to the extent of the cash received);

(c) (i) Indebtedness of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Sale, to the extent that the Issuer and each other Restricted Subsidiary are released from any direct Obligation in respect of, or any guarantee of payment of, such Indebtedness in connection with the Asset Sale and (ii) in the case of any Convention Center Unrestricted Subsidiary Sale or Interactive Entertainment Unrestricted Subsidiary Sale, Indebtedness of any Convention Center Unrestricted Subsidiary or any Interactive Entertainment Unrestricted Subsidiary, as applicable, that is no longer a Subsidiary of the Issuer as a result of such Asset Sale;

(d) consideration consisting of Indebtedness of the Issuer or a Subsidiary Guarantor (other than Subordinated Indebtedness) received after the Issue Date from Persons who are not the Issuer or any Restricted Subsidiary; and

(e) any Designated Non-cash Consideration received by the Issuer or any Restricted Subsidiary (or Unrestricted Subsidiary in the case of a Convention Center Unrestricted Subsidiary Sale or an Interactive Entertainment Unrestricted Subsidiary Sale) in such Asset Sale having an aggregate Fair Market Value (as determined in good faith by the Issuer), taken together with all other Designated Non-cash Consideration received pursuant to this clause (e) that is at that time outstanding, not to exceed the greater of $500 million and 22.5% of EBITDA for the Applicable Measurement Period at the time of the receipt of such Designated Non-cash Consideration (with the Fair Market Value of each item of Designated Non-cash Consideration being measured at the time received and without giving effect to subsequent changes in value);

shall be deemed to be Cash Equivalents for the purposes of this provision.

Within 18 months after the Issuer's or any Restricted Subsidiary's (or in the case of an Interactive Entertainment Unrestricted Subsidiary Sale or a Convention Center Unrestricted Subsidiary Sale, an Unrestricted Subsidiary's) receipt of the Net Proceeds of any Asset Sale, the Issuer or such Restricted Subsidiary may apply the Net Proceeds from such Asset Sale, at its option:

(1) to repay (A) Indebtedness constituting First Priority Lien Obligations (and, if the Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto); *provided* that for the avoidance of doubt, the Issuer and its Restricted Subsidiaries shall be entitled to repay such other First Priority Lien Obligations prior to repaying (or making any offer to repay) the Notes Obligations, (B) Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor (or in the case of an Interactive Entertainment Unrestricted Subsidiary Sale or a Convention Center Unrestricted Subsidiary Sale, Indebtedness of an Unrestricted Subsidiary), (C) Notes Obligations or (D) Indebtedness constituting Pari Passu Indebtedness other than First Priority Lien Obligations so long as the Net Proceeds are with respect to assets not constituting Collateral (*provided* that if any Subsidiary Guarantor shall so reduce Obligations under unsecured Pari Passu Indebtedness under this clause (D), the Issuer will

equally and ratably reduce Notes Obligations as provided under "—*Optional Redemption*," through open-market purchases (*provided* that such purchases are at or above 100% of the principal amount thereof or, in the event that the Notes were issued with significant original issue discount, 100% of the accreted value thereof) or by making an offer (in accordance with the procedures set forth below for an Asset Sale Offer or a Collateral Asset Sale Offer, as applicable) to all holders to purchase at a purchase price equal to 100% of the principal amount thereof or, in the event that the Notes were issued with significant original issue discount, 100% of the accreted value thereof, plus accrued and unpaid interest, if any, the pro rata principal amount of Notes), in each case other than Indebtedness owed to the Issuer; or

(2) to make an Investment in any one or more businesses (*provided* that if such Investment is in the form of the acquisition of Capital Stock of a Person, such acquisition results in such Person becoming a Restricted Subsidiary), assets, or property or capital expenditures, in each case (a) used or useful in a Similar Business or (b) that replace the properties and assets that are the subject of such Asset Sale (it being understood that in the case of a casualty event or condemnation of property under a Master Lease or a Gaming Lease, such property so repaired, replaced, restored or otherwise acquired may be owned by the landlord under such Master Lease or a Gaming Lease and leased to the Issuer or a Restricted Subsidiary of the Issuer under a Master Lease or a Gaming Lease, as applicable).

In the case of clause (2) above, a binding commitment shall be treated as a permitted application of the Net Proceeds from the date of such commitment; *provided* that in the event such binding commitment is later cancelled or terminated for any reason before such Net Proceeds are so applied, the Issuer or such Restricted Subsidiary enters into another binding commitment (a "*Second Commitment*") within six months of such cancellation or termination of the prior binding commitment; *provided*, *further*, that the Issuer or such Restricted Subsidiary may only enter into a Second Commitment under the foregoing provision one time with respect to each Asset Sale and to the extent such Second Commitment is later cancelled or terminated for any reason before such Net Proceeds are applied, then such Net Proceeds shall constitute Excess Proceeds or Collateral Excess Proceeds, as applicable.

Pending the final application of any such Net Proceeds, the Issuer or such Restricted Subsidiary may temporarily reduce Indebtedness under a revolving credit facility, if any, or otherwise invest such Net Proceeds in any manner not prohibited by the Indenture.

Any Net Proceeds received from Asset Sales of Collateral that are not invested or applied as set forth in the first paragraph of this covenant (it being understood that any portion of such Net Proceeds used to make an offer to purchase Notes, as described in clause (1) of this covenant, shall be deemed to have been invested whether or not such offer is accepted) will be deemed to constitute "*Collateral Excess Proceeds*." When the aggregate amount of Collateral Excess Proceeds exceeds $180 million in any fiscal year, the Issuer shall make an offer to all holders of the Notes and, if required by the terms of any First Priority Lien Obligations or Obligations secured by a Lien permitted under the Indenture (which Lien is not subordinate to the Lien of the Notes with respect to the Collateral), to the holders of such First Priority Lien Obligations or such other Obligations (a "*Collateral Asset Sale Offer*"), to purchase the maximum aggregate principal amount of the Notes and such First Priority Lien Obligations or such other Obligations that is a minimum of $2,000 or an integral multiple of $1,000 in excess thereof that may be purchased out of the Collateral Excess Proceeds at an offer price in cash in an amount equal to 100% of the principal amount thereof (or, in the event such First Priority Lien Obligations were issued with significant original issue discount, 100% of the accreted value thereof), plus accrued and unpaid interest, if any (or, in respect of such First Priority Lien Obligations, such lesser price, if any, as may be provided for by the terms of such First Priority Lien Obligations), to, but excluding, the date fixed for the closing of such offer, in accordance with the procedures set forth in the Indenture. The Issuer will commence a Collateral Asset Sale Offer with respect to Collateral Excess Proceeds within ten (10) Business Days after the date that Collateral Excess Proceeds exceed $180 million in any fiscal year by mailing, or delivered electronically if held by DTC, the notice required pursuant to the terms of the Indenture, with a copy to the Notes Trustee.

Any Net Proceeds from Asset Sales of non-Collateral that are not invested or applied as provided and within the time period set forth in the second paragraph of this covenant (it being understood that any portion of such Net Proceeds used to make an offer to purchase Notes, as described in clause (1) above, shall be deemed to have been invested whether or not such offer is accepted) will be deemed to constitute "*Excess Proceeds*." When the aggregate amount of Excess Proceeds exceeds $180 million in a fiscal year, the Issuer shall make an offer to all holders of Notes (and, at the option of the Issuer, to holders of any Pari Passu Indebtedness) (an "*Asset Sale Offer*") to purchase the maximum principal amount of Notes (and such Pari Passu Indebtedness), that is at least $2,000 and an integral multiple

of $1,000 in excess thereof that may be purchased out of the Excess Proceeds at an offer price in cash in an amount equal to 100% of the principal amount thereof (or, in the event such Pari Passu Indebtedness was issued with significant original issue discount, 100% of the accreted value thereof), plus accrued and unpaid interest, if any (or, in respect of such Pari Passu Indebtedness, such lesser price, if any, as may be provided for by the terms of such Pari Passu Indebtedness), to, but excluding, the date fixed for the closing of such offer, in accordance with the procedures set forth in the Indenture. The Issuer will commence an Asset Sale Offer with respect to Excess Proceeds within ten (10) Business Days after the date that Excess Proceeds exceeds $180 million in a fiscal year by mailing, or delivered electronically if held by DTC, the notice required pursuant to the terms of the Indenture, with a copy to the Notes Trustee.

To the extent that the aggregate amount of Notes and such other First Priority Lien Obligations or Obligations secured by a Lien permitted by the Indenture (which Lien is not subordinate to the Lien of the Notes with respect to the Collateral) tendered pursuant to a Collateral Asset Sale Offer is less than the Collateral Excess Proceeds, the Issuer may use any remaining Collateral Excess Proceeds for any purpose that is not prohibited by the Indenture. If the aggregate principal amount of Notes or other First Priority Lien Obligations or such other Obligations surrendered by such holders thereof exceeds the amount of Collateral Excess Proceeds, the Notes Trustee shall select the Notes and such other First Priority Lien Obligations or such other Obligations to be purchased in the manner provided for under this covenant. To the extent that the aggregate amount of Notes (and such Pari Passu Indebtedness) tendered pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Issuer may use any remaining Excess Proceeds for any purpose that is not prohibited by the Indenture. If the aggregate principal amount of Notes (and such Pari Passu Indebtedness) surrendered by holders thereof exceeds the amount of Excess Proceeds, the Notes Trustee shall select the Notes to be purchased in the manner described below. Upon completion of any such Collateral Asset Sale Offer or Asset Sale Offer, the amount of Collateral Excess Proceeds or Excess Proceeds, as the case may be, shall be reset at zero.

The Issuer must comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations to the extent such laws or regulations are applicable in connection with the repurchase of the Notes pursuant to a Collateral Asset Sale Offer or Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the Indenture, the Issuer will comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations described in the Indenture by virtue thereof.

If more Notes (and such First Priority Lien Obligations or Pari Passu Indebtedness, as applicable) are tendered pursuant to an Asset Sale Offer or Collateral Asset Sale Offer than the Issuer is required to purchase, selection of such Notes for purchase will be made by the Notes Trustee in compliance with the requirements of the principal national securities exchange, if any, on which such Notes are listed, or if such Notes are not so listed, on a pro rata basis to the extent practicable, by lot or by such other method as the Notes Trustee shall deem fair and appropriate (and in such manner as complies with the requirements of DTC, if applicable); *provided* that no Notes of $2,000 or less shall be purchased in part; *provided further* that, with respect to any Notes held by DTC, selection of Notes for purchase shall be made in accordance with DTC's applicable procedures. Selection of such First Priority Lien Obligations or Pari Passu Indebtedness, as applicable, will be made pursuant to the terms of such First Priority Lien Obligations or Pari Passu Indebtedness.

Notices of an Asset Sale Offer or a Collateral Asset Sale Offer shall be mailed by first class mail, postage prepaid by the Issuer, or delivered electronically if held at DTC, at least 30 but not more than 60 days before the purchase date to each holder of Notes at such holder's registered address. If any Note is to be purchased in part only, any notice of purchase that relates to such Note shall state the portion of the principal amount thereof that has been or is to be purchased.

Notwithstanding any other provisions of this covenant to the contrary, (i) to the extent that any Net Proceeds of any Asset Sale or Net Insurance Proceeds of any Taking or Destruction of a Foreign Subsidiary is prohibited, restricted or delayed by applicable local law or material documents (including constituent and organizational documents) from being repatriated to the United States, the portion of such Net Proceeds or Net Insurance Proceeds so affected will not be required to be applied to make an Asset Sale Offer or Collateral Asset Sale Offer but may be retained by the applicable Foreign Subsidiary so long, but only so long, as the applicable local law or material documents will not permit repatriation to the United States, and once such repatriation of any of such affected Net Proceeds or Net Insurance Proceeds is permitted under the applicable local law or material documents, such

repatriation will be effected and such repatriated Net Proceeds or Net Insurance Proceeds will be promptly applied (net of additional taxes payable or reserved against as a result thereof) to make an Asset Sale Offer or Collateral Asset Sale Offer to the extent provided herein, (ii) to the extent that the Issuer has determined in good faith that repatriation of any or all of such Net Proceeds or Net Insurance Proceeds could reasonably be expected to have an adverse tax cost consequence that is not de minimis with respect to such Net Proceeds or Net Insurance Proceeds, the Net Proceeds or Net Insurance Proceeds so affected may be retained by the applicable Foreign Subsidiary (the Issuer hereby agreeing to use commercially reasonable efforts (which shall not be required to extend beyond twelve (12) months after the applicable prepayment date) to eliminate such tax effects in its reasonable control in order to make such prepayments), (iii) to the extent that any Net Proceeds or Net Insurance Proceeds is required to be applied to prepay Indebtedness of CRC or its Subsidiaries by the terms of the documents governing such Indebtedness, or to be reinvested by CRC or its Subsidiaries by the terms of the documents governing any such Indebtedness, or cannot be distributed by CRC to the Issuer in accordance with the terms of the documents governing any such Indebtedness, the portion of such Net Proceeds or Net Insurance Proceeds so affected will not be required to be applied to make an Asset Sale Offer or Collateral Asset Sale Offer but may be retained by CRC and its Subsidiaries and (iv) to the extent that any Net Proceeds or Net Insurance Proceeds cannot be distributed by CEC in accordance with the MLSAs, the portion of such Net Proceeds or Net Insurance Proceeds so affected will not be required to be applied to make an Asset Sale Offer or Collateral Asset Sale Offer but may be retained by CEC and its Subsidiaries. For the avoidance of doubt, the non-application of any amounts required to be applied to make an Asset Sale Offer or Collateral Asset Sale Offer as a consequence of the foregoing provisions does not constitute a Default or an Event of Default, and such amounts shall be available for working capital purposes of the Issuer and the Restricted Subsidiaries so long as not required to be prepaid or used to make an offer to repurchase in accordance with the foregoing provisions. Notwithstanding the foregoing, any prepayments or offers to repurchase required after application of the above provision shall be net of any costs, expenses or taxes Incurred by the Issuer or any of its Affiliates and arising as a result of compliance with the preceding sentence. For the avoidance of doubt, amounts that are not required to be applied to make an Asset Sale Offer or Collateral Asset Sale Offer due the operation of this paragraph shall not constitute "Excess Proceeds" or "Collateral Excess Proceeds" for any purpose.

For the avoidance of doubt, the Issuer shall cause (1) any Convention Center Unrestricted Subsidiary that receives Convention Center Unrestricted Subsidiary Sale Proceeds to promptly distribute the Net Proceeds thereof to the Issuer for application in accordance with this covenant and (2) any Interactive Entertainment Unrestricted Subsidiary that receives Interactive Entertainment Subsidiary Sale Proceeds to promptly distribute the Net Proceeds thereof to the Issuer or a Restricted Subsidiary for application in accordance with this covenant, in each case except to the extent applied to repay Indebtedness of an Unrestricted Subsidiary or such a distribution is otherwise prohibited by applicable law or the terms of any agreement binding on an Unrestricted Subsidiary.

Transactions with Affiliates

The Indenture will provide that the Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction or series of transactions, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Issuer (each of the foregoing, an "*Affiliate Transaction*") involving aggregate consideration in excess of $50 million, unless:

(a) such Affiliate Transaction is on terms that are not materially less favorable to the Issuer or relevant Restricted Subsidiary than those that could have been obtained in a comparable transaction by the Issuer or such Restricted Subsidiary with an unrelated Person; and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $100 million, the Issuer delivers to the Notes Trustee a resolution adopted in good faith by the majority of the Board of Directors, approving such Affiliate Transaction and set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with clause (a) above.

The foregoing provisions will not apply to the following:

(1) transactions between or among the Issuer and/or any of its Restricted Subsidiaries (or an entity that

becomes a Restricted Subsidiary as a result of such transaction) and any merger, consolidation or amalgamation of the Issuer and any direct parent of the Issuer;

(2) Restricted Payments permitted by the provisions of the Indenture described above under the covenant "*—Limitation on Restricted Payments*" and Permitted Investments;

(3) the Transactions and the payment of all fees and expenses in connection therewith;

(4) the payment of reasonable and customary fees and reimbursement of expenses paid to, and indemnity provided on behalf of, officers, directors, employees or consultants of the Issuer or any Restricted Subsidiary;

(5) the Convention Center Lease and any amendment thereto or replacement thereof (so long as any such amendments thereto or replacements thereof, taken as a whole, is not more disadvantageous to the holders of the Notes in any material respect than the original lease);

(6) transactions in which the Issuer or any Restricted Subsidiary, as the case may be, delivers to the Notes Trustee a letter from an Independent Financial Advisor stating that such transaction is fair to the Issuer or such Restricted Subsidiary from a financial point of view or meets the requirements of clause (a) of the preceding paragraph;

(7) payments or loans (or cancellation of loans) to officers, directors, employees or consultants which are approved by a majority of the Board of Directors in good faith;

(8) any transactions, agreements and arrangements as in effect, committed or contemplated as of the Issue Date or any amendment thereto or replacement thereof (so long as any such transaction, agreement or arrangement together with all amendments thereto or replacements thereof, taken as a whole, is not more disadvantageous to the holders of the Notes in any material respect than the original transaction, agreement or arrangement as in effect, contemplated or committed as of the Issue Date) or any transaction contemplated thereby as determined in good faith by the Issuer;

(9) the existence of, or the performance by the Issuer or any Restricted Subsidiary of its obligations under the terms of any transaction, agreement or arrangement described in this Offering Memorandum including, without limitation, the WSOP Rio Agreements and, in each case, any amendment thereto or replacement thereof or similar transactions, agreements or arrangements which it may enter into thereafter; *provided*, *however*, that the existence of, or the performance by the Issuer or any Restricted Subsidiary of its obligations under, any future amendment to any such existing transaction, agreement or arrangement or under any similar transaction, agreement or arrangement entered into after the Issue Date shall only be permitted by this clause (9) to the extent that the terms of any such existing transaction, agreement or arrangement, together with all amendments thereto or replacement thereof, taken as a whole, or new transaction, agreement or arrangement, taken as a whole, are not otherwise more disadvantageous to the holders of the Notes in any material respect than the original transaction, agreement or arrangement as in effect on the Issue Date (as determined in good faith by the Issuer);

(10) the execution and consummation of the Transactions and the payment of all fees and expenses related to the Transactions, which are described in this Offering Memorandum or contemplated by the Transactions;

(11) any transactions (i) made pursuant to any Master Lease, any Gaming Lease, any MLSA or any Operations Management Agreement or any Permitted Non-Recourse Guarantee or (ii) in connection with any of the Transactions;

(12) (a) transactions with customers, clients, suppliers or purchasers or sellers of goods or services, or transactions otherwise relating to the purchase or sale of goods or services, in each case in the ordinary course of business and otherwise in compliance with the terms of the Indenture, which are fair to the Issuer and the Restricted Subsidiaries in the reasonable determination of the Board of Directors or senior management, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated party or (b) transactions with joint ventures or Unrestricted Subsidiaries entered into in the ordinary course of business and consistent with past practice or industry norm;

(13) any transaction effected as part of a Qualified Receivables Financing;

(14) the issuance of Equity Interests (other than Disqualified Stock) of the Issuer to any Person so long as (A) the investment is being offered generally to other investors on the same or more favorable terms and (B) the investment constitutes less than 5.0% of the outstanding issue amount of such class of securities;

(15) the issuances of securities or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, employment arrangements, stock option and stock ownership plans or similar employee benefit plans approved by the Board of Directors of the Issuer or of a Restricted Subsidiary, as appropriate, in good faith;

(16) entering into, and any transactions pursuant to, tax sharing agreements between or among the Issuer, its Subsidiaries and joint ventures, under which tax obligations are fairly allocated amongst the parties thereto;

(17) any contribution to the capital of the Issuer;

(18) transactions permitted by, and complying with, the provisions of the covenant described under "— *Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets*";

(19) transactions between the Issuer or any Restricted Subsidiary and any Person, a director of which is also a director of the Issuer; *provided*, *however*, that such director abstains from voting as a director of the Issuer on any matter involving such other Person;

(20) pledges of Equity Interests of Unrestricted Subsidiaries;

(21) the formation and maintenance of any consolidated group or subgroup for tax, accounting or cash pooling or management purposes in the ordinary course of business;

(22) (A) any employment agreements entered into by the Issuer or any Restricted Subsidiary in the ordinary course of business, (B) any subscription agreement or similar agreement pertaining to the repurchase of Equity Interests pursuant to put/call rights or similar rights with employees, officers or directors, (C) any employee compensation, benefit plan or arrangement, any health, disability or similar insurance plan with covers employees and any reasonable employment contract and transactions pursuant thereto and (D) loans or advances to employees or consultants of the Issuer or any Restricted Subsidiary;

(23) payments by the Issuer or any Restricted Subsidiaries of the Issuer to any Affiliate made for any financial advisory, financing, underwriting or placement services or in respect of any other investment banking activities, including in connection with acquisitions or divestitures, which payments are approved by the majority of the Board of Directors of the Issuer, or a majority of the Disinterested Directors of the Issuer, in good faith;

(24) transactions with Subsidiaries or joint ventures for the purchase or sale of goods, equipment, products, parts and services entered into in the ordinary course of business;

(25) transactions in connection with the issuance of letters of credit for the account or benefit of any Subsidiary or any other Person designated by the Issuer to the extent permitted under the Indenture (including with respect to the issuance of or payments in connection with drawings under letters of credit);

(26) transactions undertaken in good faith for the purpose of improving the consolidated tax efficiency of the Issuer, its Subsidiaries and joint ventures; and

(27) Permitted Non-Recourse Guarantees, completion guarantees and Guarantees of other obligations not constituting Indebtedness and the granting of Liens on the Equity Interests of Unrestricted Subsidiaries (including to secure Indebtedness and obligations of Unrestricted Subsidiaries and Permitted Non-Recourse Guarantees).

Notwithstanding the foregoing, CES and its Subsidiaries shall not be considered Affiliates of the Issuer or its Subsidiaries with respect to any transaction, so long as the transaction is in the ordinary course of business, pursuant to agreements existing on the Issue Date or pursuant to any Master Lease, any Gaming Lease, any MLSA, any Operations Management Agreement, any intellectual property license or related agreement, any management

agreement or any shared services agreement entered into with any of the Issuer and/or its Subsidiaries or, in each case, amendments, modifications or supplements thereto, or replacements thereof.

Liens

The Indenture will provide that the Issuer will not, and will not permit any Subsidiary Guarantor to, directly or indirectly, create, Incur, assume or suffer to exist any Lien (except Permitted Liens) that secures any Indebtedness on any asset or property of the Issuer or any Subsidiary Guarantor, other than Liens securing Indebtedness that are junior in priority to the Liens on such property or assets securing the Notes.

For purposes of determining compliance with this covenant, (a) a Lien securing an item of Indebtedness need not be permitted solely by reference to one category of permitted Liens (or any portion thereof) described in the definition of "Permitted Liens" or pursuant to the first paragraph of this covenant but may be permitted in part under any combination thereof and (b) in the event that a Lien securing an item of Indebtedness, Disqualified Stock or Preferred Stock (or any portion thereof) meets the criteria of one or more of the categories of permitted Liens (or any portion thereof) described in the definition of "Permitted Liens" or pursuant to the first paragraph of this covenant, the Issuer shall, in its sole discretion, classify or reclassify, or later divide, classify or reclassify (as if incurred at such later time), such Lien securing such item of Indebtedness (or any portion thereof) in any manner that complies with this covenant and will be entitled to only include the amount and type of such Lien or such item of Indebtedness secured by such Lien (or any portion thereof) in one of the clauses of the definition of "Permitted Liens" or pursuant to the first paragraph of this covenant and in such event, such Lien securing such item of Indebtedness (or any portion thereof) will be treated as being Incurred or existing pursuant to only one of such clauses (or any portion thereof) or pursuant to the first paragraph of this covenant without giving pro forma effect to such item (or any portion thereof) when calculating the amount of Liens or Indebtedness that may be Incurred, classified or reclassified pursuant to any other clause (or any portion thereof) at such time.

With respect to any Lien securing Indebtedness that was permitted to secure such Indebtedness at the time of the Incurrence of such Indebtedness, such Lien shall also be permitted to secure any Increased Amount of such Indebtedness. The "*Increased Amount*" of any Indebtedness shall mean any increase in the amount of such Indebtedness in connection with any accrual of interest, the accretion of accreted value, the amortization of original issue discount, the payment of interest in the form of additional Indebtedness with the same terms or in the form of common stock, if any, of the Issuer, the payment of dividends on Preferred Stock in the form of additional shares of Preferred Stock of the same class, accretion of original issue discount or liquidation preference and increases in the amount of Indebtedness outstanding solely as a result of fluctuations in the exchange rate of currencies or increases in the value of property securing Indebtedness described in clause (3) of the definition of "Indebtedness."

Reports and Other Information

The Indenture will provide that notwithstanding that the Issuer may not be subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act or otherwise report on an annual and quarterly basis on forms provided for such annual and quarterly reporting pursuant to rules and regulations promulgated by the SEC, the Issuer will furnish to the Notes Trustee:

(1) within 15 days after the time period specified in the SEC's rules and regulations for non-accelerated filers, annual reports for such fiscal year containing the information that would have been required to be contained in an Annual Report on Form 10-K (or any successor or comparable form) if the Issuer had been a reporting company under the Exchange Act, except to the extent permitted to be excluded by the SEC;

(2) within 15 days after the time period specified in the SEC's rules and regulations for non-accelerated filers, quarterly reports for such fiscal quarter containing the information that would have been required to be contained in a Quarterly Report on Form 10-Q (or any successor or comparable form) if the Issuer had been a reporting company under the Exchange Act, except to the extent permitted to be excluded by the SEC; and

(3) within 15 days after the time period specified in the SEC's rules and regulations for filing Current Reports on Form 8-K, current reports containing substantially all of the information that would be required to be filed in a Current Report on Form 8-K under the Exchange Act on the Issue Date pursuant to Sections 1, 2 and 4, Items 5.01, 5.02(a)-(c) (other than compensation information) and Item 9.01 (only to the extent relating to any of the

foregoing) of Form 8-K if the Issuer had been a reporting company under the Exchange Act; *provided*, *however*, that (a) no such current reports (or Items thereof or all or a portion of the financial statements that would have otherwise been required thereby) will be required to be provided (or included) if the Issuer determines in its good faith judgment that such event (or information) is not material to holders or the business, assets, operations, financial position or prospects of the Issuer and its Restricted Subsidiaries, taken as a whole, or if the Issuer determines in its good faith judgment that such disclosure would otherwise cause competitive harm to the business, assets, operations, financial position or prospects of the Issuer and its Restricted Subsidiaries, taken as a whole (in which event such nondisclosure shall be limited only to specific provisions that would cause material harm and not the occurrence of the event itself) and (b) and in no event will any financial statements of an acquired business be required to be included in any such current report; in each case, subject to exceptions and exclusions consistent with the presentation of financial and other information in this Offering Memorandum (including with respect to the omission of financial statements or financial information required by Rules 3-09, 3-10 or 3-16 under Regulation S-X promulgated by the SEC (or any successor provision)), Compensation Discussion and Analysis otherwise required by Regulation S-K Item 402(b), and information otherwise required by Section 302 or 404 of the Sarbanes-Oxley Act of 2002. In addition to providing such information to the Notes Trustee, the Issuer shall make available to the holders, prospective investors, market makers affiliated with any initial purchaser of the Notes and securities analysts the information required to be provided pursuant to clauses (1), (2) and (3) of this paragraph, by posting such information to its website or on IntraLinks or any comparable online data system or website.

Notwithstanding the foregoing, the Issuer will not be required to furnish any information, certificates or reports required by Item 307 or 308 of Regulation S-K.

In addition, the Issuer will make such information available to prospective investors upon request. In addition, the Issuer has agreed that, for so long as any Notes remain outstanding during any period when it is not subject to Section 13 or 15(d) of the Exchange Act, or otherwise permitted to furnish the SEC with certain information pursuant to Rule 12g3-2(b) of the Exchange Act, it will furnish to the holders of the Notes and to prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Notwithstanding the foregoing, the Issuer will be deemed to have furnished such reports referred to above to the Notes Trustee and the holders if the Issuer has filed such reports with the SEC via the EDGAR filing system and such reports are publicly available. In addition, the requirements of this covenant shall be deemed satisfied by the posting of reports that would be required to be provided to the Notes Trustee and the holders on the Issuer's website.

Delivery of such reports to the Notes Trustee shall be for informational purposes only and the Notes Trustee's receipt thereof shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including any Event of Default or the Issuer's compliance with any of the covenants contained in the Indenture.

Future Subsidiary Guarantors

The Indenture will further provide that the Issuer will cause each Wholly Owned Restricted Subsidiary that is a Domestic Subsidiary that is a borrower or guarantor under the CEI Credit Agreement to execute and deliver to the Notes Trustee (i) a supplemental indenture pursuant to which such Subsidiary will guarantee the Issuer's obligations under the Notes and the Indenture and (ii) joinders to Security Documents or new Security Documents and take all actions required by such Security Documents to perfect the Liens created thereunder.

Further Assurances

The Issuer and the Subsidiary Guarantors shall execute any and all further documents, financing statements, agreements and instruments, and take all further actions that may be required under applicable law, or that the Collateral Agent or the Notes Trustee may reasonably request, in order to grant, preserve, protect and perfect the validity and priority of the security interests and Liens created or intended to be created by Security Documents in the Collateral.

Maintenance of Properties

Except where the failure to do so would not reasonably be expected to have a material adverse effect, the Issuer will do or cause to be done all things necessary to (i) lawfully obtain, preserve, renew, extend and keep in full force and effect the permits, franchises, authorizations, patents, trademarks, service marks, trade names, copyrights, licenses and rights with respect thereto necessary to the normal conduct of its business and (ii) at all times maintain and preserve all tangible property necessary to the normal conduct of its business and keep such property in good repair, working order and condition (ordinary wear and tear, casualty and condemnation excepted), from time to time make, or cause to be made, all needful and proper repairs, renewals, additions, improvements and replacements thereto necessary in order that the business carried on in connection therewith, if any, may be properly conducted at all times (in each case except as permitted by the Indenture).

Mandatory Disposition Pursuant to Gaming Laws

Federal, state and local authorities in several jurisdictions regulate extensively our casino entertainment operations. The Gaming Authority of any jurisdictions in which the Issuer or any of its Subsidiaries conduct or propose to conduct gaming may require that a holder of the Notes or the beneficial owner of the Notes of a holder be approved, licensed, qualified or found suitable under applicable gaming laws. Under the Indenture, each Person that holds or acquires beneficial ownership of any of the Notes shall be deemed to have agreed, by accepting such Notes, that if any such Gaming Authority requires such Person to be approved, licensed, qualified or found suitable under applicable Gaming Laws, such holder or beneficial owner, as the case may be, shall apply for a license, qualification or finding of suitability within the required time period.

If a person required to apply or become licensed or qualified or be found suitable fails to do so (a "*Disqualified Holder*"), the Issuer shall have the right, at its election, (1) to require such Person to dispose of its Notes or beneficial interest therein within 30 days of receipt of notice of such election or such earlier date as may be required by such Gaming Authority or (2) to redeem such Notes at a redemption price that, unless otherwise directed by such Gaming Authority, shall be at a redemption price that is equal to the lesser of:

- such Person's cost; or
- 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the earlier of (1) the redemption date or (2) the date such Person became a Disqualified Holder.

The Issuer will notify the Notes Trustee and applicable Gaming Authority in writing of any such redemption as soon as practicable. The Issuer will not be responsible for any costs or expenses any such holder may incur in connection with its application for a license, qualification or finding of suitability.

Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets

The Indenture will provide that the Issuer may not, directly or indirectly, consolidate, amalgamate, consummate a Division as the Dividing Person (whether or not the Issuer is the surviving entity or the Division Successor, as applicable) or merge with or into or wind up or convert into (whether or not the Issuer is the surviving Person), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions, to any Person unless:

(1) (x) the Issuer is the surviving Person or the Division Successor, as applicable, (y) the Person formed by or surviving any such consolidation, amalgamation, merger, winding up or conversion (if other than the Issuer) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made is a corporation, partnership or limited liability company or similar entity organized or existing under the laws of the United States, any state thereof or the District of Columbia (the Issuer or such Person, as the case may be, being herein called the "*Successor Issuer*"); *provided* that in the case where the surviving Person is not a corporation, at least one other Issuer is a corporation, or (z) in the case of a Division where the Issuer is the Dividing Person, either all Division Successors shall become co-Issuers of the Notes or the Division, as to any Division Successor that will not be a co-Issuer, is permitted by the covenant described above under "*—Certain Covenants—Limitation on Restricted Payments*" (it being understood for the avoidance of doubt that a Division by the Issuer constitutes a Restricted Payment);

(2) the Successor Issuer (if other than the Issuer) expressly assumes all the obligations of the Issuer under the Indenture and the Notes pursuant to supplemental indentures or other documents or instruments in form reasonably satisfactory to the Notes Trustee;

(3) immediately after giving effect to such transaction (and treating any Indebtedness which becomes an obligation of the Successor Issuer or any of its Restricted Subsidiaries as a result of such transaction as having been Incurred by the Successor Issuer or such Restricted Subsidiary at the time of such transaction) no Default shall have occurred and be continuing;

(4) immediately after giving pro forma effect to such transaction, as if such transaction had occurred at the beginning of the applicable four-quarter period (and treating any Indebtedness which becomes an obligation of the Successor Issuer or any of its Restricted Subsidiaries as a result of such transaction as having been Incurred by the Successor Issuer or such Restricted Subsidiary at the time of such transaction), either:

(a) the Successor Issuer would be permitted to Incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first sentence of the covenant described under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*"; or

(b) the Fixed Charge Coverage Ratio for the Successor Issuer and its Restricted Subsidiaries is not less than such ratio for such prior Issuer and its Restricted Subsidiaries immediately prior to such transaction; or

(c) the Consolidated Leverage Ratio of the Successor Issuer would be equal to or less than the Consolidated Leverage Ratio for such prior Issuer immediately prior to such transaction;

(5) [reserved]; and

(6) the Issuer shall have delivered to the Notes Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger, amalgamation or transfer and such supplemental indentures (if any) comply with the Indenture.

The Successor Issuer will succeed to, and be substituted for, the Issuer under the Indenture and the Notes, and in such event the Issuer will automatically be released and discharged from its obligations under the Indenture and the Notes. Notwithstanding the foregoing clauses (3) and (4) of this covenant, (a) the Issuer or any Restricted Subsidiary may merge, consolidate or amalgamate with or transfer all or part of its properties and assets to another Restricted Subsidiary and (b) the Issuer may merge, consolidate or amalgamate with an Affiliate incorporated solely for the purpose of establishing the jurisdiction of formation of the Issuer in another state of the United States or the District of Columbia or may convert into a corporation, a limited partnership or a business trust, so long as the amount of Indebtedness of the Issuer and its Restricted Subsidiaries is not increased thereby. This "*—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets*" will not apply to a sale, assignment, transfer, conveyance or other disposition of assets between or among the Issuer and the Restricted Subsidiaries.

The Indenture will further provide that, subject to certain limitations in the Indenture governing release of assets and property securing the Notes of a Subsidiary Guarantor upon the sale or disposition of a Restricted Subsidiary that is a Subsidiary Guarantor, none of the Subsidiary Guarantors will, and the Issuer will not permit any Subsidiary Guarantor to, consolidate, amalgamate, consummate a Division as the Dividing Person (whether or not such Subsidiary Guarantor is the surviving entity or the Division Successor, as applicable) or merge with or into or wind up into (whether or not such Subsidiary Guarantor is the surviving Person), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets of the Subsidiary Guarantors taken as a whole in one or more related transactions to, any Person unless:

(1) either (a) such Subsidiary Guarantor is the surviving Person or the Division Successor, as applicable, or the Person formed by or surviving any such Division, consolidation, amalgamation or merger (if other than such Subsidiary Guarantor) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made is a corporation, partnership or limited liability company or similar entity organized or existing under the laws of the United States, any state thereof or the District of Columbia (such Subsidiary Guarantor, such Division

Successor or such Person, as the case may be, being herein called the "*Successor Entity*") and the Successor Entity (if other than such Subsidiary Guarantor) expressly assumes all the obligations of such Subsidiary Guarantor under the Indenture and the Security Documents pursuant to documents or instruments in form reasonably satisfactory to the Notes Trustee, or (b) such sale or disposition or consolidation, amalgamation or merger is not in violation of the covenant described above under the caption "*—Certain Covenants—Asset Sales*"; and

(2) the Successor Entity (if other than such Subsidiary Guarantor) shall have delivered or caused to be delivered to the Notes Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, amalgamation, merger or transfer and such supplemental indenture (if any) comply with the Indenture.

Subject to certain limitations described in the Indenture, the Successor Entity (if other than such Subsidiary Guarantor) will succeed to, and be substituted for, the Issuer or Subsidiary Guarantor under the Indenture and such Subsidiary Guarantor's obligations in respect of the Notes, and such Subsidiary Guarantor will automatically be released and discharged from its obligations under the Indenture and such Subsidiary Guarantor's obligations in respect of the Notes. Notwithstanding the foregoing, (1) a Subsidiary Guarantor may merge, amalgamate or consolidate with an Affiliate incorporated solely for the purpose of establishing the jurisdiction of formation in another state of the United States or the District of Columbia or for changing the form of such entity into a corporation, limited liability company, limited partnership or business trust so long as the amount of Indebtedness of the Issuer or Subsidiary Guarantor is not increased thereby and (2) a Subsidiary Guarantor may merge, amalgamate or consolidate with another Subsidiary Guarantor.

In addition, notwithstanding the foregoing, any Subsidiary Guarantor may consolidate, amalgamate or merge with or into or wind up into, or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets (collectively, a "*Transfer*") to any Subsidiary Guarantor.

Defaults

An "*Event of Default*" will be defined in the Indenture as:

(1) a default in any payment of interest on any Note when the same becomes due and payable, and such default continues for a period of 30 days;

(2) a default in the payment of principal or premium, if any, of any Note when due at its Stated Maturity, upon optional redemption, upon required repurchase, upon declaration or otherwise;

(3) the failure by the Issuer or any Restricted Subsidiary to comply for 60 days after notice with its other agreements contained in the Notes or the Indenture;

(4) the failure by the Issuer or any Significant Subsidiary (or any group of Subsidiaries that together would constitute a Significant Subsidiary) to pay any Indebtedness (other than Indebtedness owing to the Issuer or a Restricted Subsidiary) within any applicable grace period after final maturity or the acceleration of any such Indebtedness by the holders thereof because of a default, in each case, if the total amount of such Indebtedness unpaid or accelerated exceeds $400 million or its foreign currency equivalent (the "*cross-acceleration provision*");

(5) certain events of bankruptcy, insolvency or reorganization of the Issuer or a Significant Subsidiary (or any group of Subsidiaries that together would constitute a Significant Subsidiary) (the "*bankruptcy provisions*");

(6) failure by the Issuer or any Significant Subsidiary (or any group of Subsidiaries that together would constitute a Significant Subsidiary) to pay final judgments aggregating in excess of $400 million or its foreign currency equivalent (net of any amounts which are covered by enforceable insurance policies issued by solvent carriers), which judgments are not discharged, waived or stayed for a period of 60 consecutive days (the "*judgment default provision*");

(7) the Note Guarantee of a Significant Subsidiary (or any group of Subsidiaries that together would constitute a Significant Subsidiary) ceases to be in full force and effect (except as contemplated by the terms thereof);

(8) unless all of the Collateral has been released from Liens securing the Notes Obligations in accordance with the Indenture, the Liens securing the Notes Obligations on any material portion of the Collateral cease to be (other than in accordance with the terms hereof) valid or enforceable or cease to create valid and perfected

first-priority Liens (subject to Permitted Liens) and such Default continues for 30 days, or the Issuer shall assert, in any pleading in any court of competent jurisdiction, that any such security interest is invalid or unenforceable (other than in accordance with the terms hereof) and, in the case of any such Person that is a Subsidiary of the Issuer, the Issuer fails to cause such Subsidiary to rescind such assertions within 30 days after the Issuer has actual knowledge of such assertions; or

(9) the failure by the Issuer or any Subsidiary Guarantor to comply for 60 days after notice with its other agreements contained in the Security Documents except for a failure that would not be material to the holders of the Notes and would not materially affect Liens on the Collateral securing the Notes Obligations or the value of the Collateral taken as a whole.

The foregoing will constitute Events of Default whatever the reason for any such Event of Default and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body.

However, a default under clauses (3) or (9) will not constitute an Event of Default until the Notes Trustee or the holders of at least 30% in principal amount of outstanding Notes notify the Issuer of the default and the Issuer does not cure such default within the time specified in clauses (3) or (9) hereof after receipt of such notice.

If an Event of Default (other than an Event of Default relating to certain events of bankruptcy, insolvency or reorganization of the Issuer) occurs and is continuing, the Notes Trustee or the holders of at least 30% in principal amount of outstanding Notes by notice to the Issuer may declare the principal of, premium, if any, and accrued but unpaid interest on all the Notes to be due and payable; *provided*, *however*, that so long as any Bank Indebtedness remains outstanding, no such acceleration shall be effective until the earlier of (1) five Business Days after the giving of written notice to the Issuer and the Representative under any Credit Agreement and (2) the day on which any Bank Indebtedness is accelerated. Upon such a declaration, such principal and interest will be due and payable immediately. If an Event of Default relating to certain events of bankruptcy, insolvency or reorganization of the Issuer occurs, the principal of, premium, if any, and interest on all the Notes will become immediately due and payable without any declaration or other act on the part of the Notes Trustee or any holders. Under certain circumstances, the holders of a majority in principal amount of outstanding Notes may rescind any such acceleration with respect to the Notes and its consequences.

In the event of any Event of Default specified in clause (4) of the first paragraph above, such Event of Default and all consequences thereof (excluding, however, any resulting payment default) will be annulled, waived and rescinded, automatically and without any action by the Notes Trustee or the holders of the Notes, if within 20 days after such Event of Default arose the Issuer delivers an Officer's Certificate to the Notes Trustee stating that (x) the Indebtedness or guarantee that is the basis for such Event of Default has been discharged or (y) the holders thereof have rescinded or waived the acceleration, notice or action (as the case may be) giving rise to such Event of Default or (z) the default that is the basis for such Event of Default has been cured, it being understood that in no event shall an acceleration of the principal amount of the Notes as described above be annulled, waived or rescinded upon the happening of any such events.

Subject to the provisions of the Indenture relating to the duties of the Notes Trustee, in case an Event of Default occurs and is continuing, the Notes Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the holders unless such holders have offered to the Notes Trustee indemnity and security satisfactory to it against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium (if any) or interest when due, no holder may pursue any remedy with respect to the Indenture or the Notes unless:

(1) such holder has previously given the Notes Trustee notice that an Event of Default is continuing;

(2) holders of at least 30% in principal amount of the outstanding Notes have requested the Notes Trustee to pursue the remedy;

(3) such holders have offered the Notes Trustee reasonable security and indemnity against any loss, liability or expense;

(4) the Notes Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security or indemnity; and

(5) the holders of a majority in principal amount of the outstanding Notes have not given the Notes Trustee a direction inconsistent with such request within such 60-day period.

Subject to certain restrictions, the holders of a majority in principal amount of outstanding Notes are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Notes Trustee or of exercising any trust or power conferred on the Notes Trustee. The Notes Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that is unduly prejudicial to the rights of any other holder or that would involve the Notes Trustee in personal or financial liability. Prior to taking any action under the Indenture, the Notes Trustee will be entitled to indemnification and security satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking such action.

The Issuer is required to deliver to the Notes Trustee, annually, a certificate indicating whether the signers thereof know of any Default that occurred during the previous year. The Issuer also is required to deliver to the Notes Trustee, within 30 days after the occurrence thereof, written notice of any event which would constitute certain Defaults, their status and what action the Issuer is taking or proposes to take in respect thereof.

Amendments and Waivers

Subject to certain exceptions, the Indenture, the Security Documents, the First Lien Intercreditor Agreement and any Junior Lien Intercreditor Agreement may be amended with the consent of the holders of at least a majority in principal amount of the Notes then outstanding voting as a single class (including consents obtained in connection with a tender offer or exchange and any past default or compliance with any provisions may be waived with the consent of the holders of a majority in principal amount of the Notes then outstanding). However, without the consent of each holder of an outstanding Note affected, no amendment may, among other things:

(1) reduce the amount of Notes whose holders must consent to an amendment;

(2) reduce the rate of or extend the time for payment of interest on any Note;

(3) reduce the principal of or change the Stated Maturity of any Note;

(4) reduce the premium payable upon the redemption of any Note or change the time at which any Note may be redeemed as described under "*—Optional Redemption*" above;

(5) make any Note payable in money other than that stated in such Note;

(6) expressly subordinate the Notes in right of payment to any other Indebtedness of the Issuer or any Subsidiary Guarantor;

(7) impair the contractual right of any holder to institute suit for the enforcement of any payment on or with respect to such holder's Notes on or after the due dates therefor;

(8) make any change in the amendment provisions which require each holder's consent or in the waiver provisions; or

(9) make any change in the provisions of the First Lien Intercreditor Agreement, any Junior Lien Intercreditor Agreement or the Indenture dealing with the application of proceeds of Collateral that would adversely affect the holders of the Notes.

Except as expressly provided by the Indenture, without the consent of holders of at least 66 2/3% in aggregate principal amount of the Notes then outstanding, no amendment may modify or release the Note Guarantee of any Significant Subsidiary in any manner adverse to the holders of the Notes. In addition, except as expressly provided by the Indenture, without the consent of the holders of at least 66 2/3% in aggregate principal amount of Notes then outstanding, no amendment or waiver may release all or substantially all of the Collateral from the Lien of the Indenture and the Security Documents with respect to the Notes.

Without the consent of any holder, the Issuer and the Notes Trustee may amend or supplement the Indenture, the Security Documents, the First Lien Intercreditor Agreement, any Junior Lien Intercreditor Agreement or the Notes to cure any ambiguity, omission, mistake, defect or inconsistency; to provide for the assumption by a Successor Issuer (with respect to the Issuer) of the obligations of the Issuer under the Indenture and the Notes; to provide for the assumption by a Successor Entity of the obligations of a Subsidiary Guarantor under the Indenture, the Notes or its Note Guarantee, as applicable, and the Security Documents; to provide for uncertificated Notes in addition to or in place of certificated Notes (*provided* that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Notes are described in Section 163(f)(2)(B) of the Code); to add a Subsidiary Guarantor or collateral with respect to the Notes, to secure the Notes; to add to the covenants of the Issuer for the benefit of the holders or to surrender any right or power conferred upon the Issuer; to make any change that does not adversely affect the rights of any holder, to conform the text of the Indenture, the Notes, the Note Guarantees, the Security Documents, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement to any provision of this "*Description of Notes*" in this Offering Memorandum to the extent that such provision in this "*Description of Notes*" was intended to be a verbatim recitation of a provision of the Indenture, the Notes, the Note Guarantees, the Security Documents, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement, and the Issuer will confirm its good faith intention of any such textual change intended to be a verbatim recitation in an Officer's Certificate delivered to the Notes Trustee; to release or subordinate the Collateral Agent's lien on the Collateral as permitted by the Indenture, the First Lien Intercreditor Agreement or any Junior Lien Intercreditor Agreement (including to consent to and enter into (and execute documents permitting the filing and recording, where appropriate) the grant of easements, covenants, declarations, sub-divisions and subordination rights with respect to real property, conditions, restrictions and declarations on customary terms, and subordination, non-disturbance and attornment agreements (x) on customary terms reasonably requested by the Issuer and reasonably acceptable to the administrative agent under the CEI Credit Agreement or (y) with respect to any Master Lease or any Gaming Lease, to the extent requested by the landlord under such Master Lease or Gaming Lease); to add additional secured creditors holding Other First Priority Lien Obligations or other Junior Lien Obligations so long as such obligations are not prohibited by the Indenture or the Security Documents; to make certain changes to the Indenture to provide for the issuance of additional Notes; or to amend, waive or modify the Indenture, the Notes, the First Lien Intercreditor Agreement, any Junior Lien Intercreditor Agreement or any Security Document as required by local law to give effect to, or protect any security interest for the benefit of the First Lien Secured Parties, in any property or so that the security interests therein comply with applicable law or the Indenture or in each case to otherwise enhance the rights or benefits of any holder of Notes under the Indenture, the Notes or the Note Guarantees.

The consent of the noteholders is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

After an amendment under the Indenture becomes effective, the Issuer is required to mail to the respective noteholders a notice briefly describing such amendment. However, the failure to give such notice to all noteholders entitled to receive such notice, or any defect therein, will not impair or affect the validity of the amendment.

No Personal Liability of Directors, Officers, Employees, Managers and Stockholders

No director, officer, employee, manager, incorporator or holder of any Equity Interests in the Issuer or any direct or indirect parent corporation, as such, has any liability for any obligations of the Issuer or any Subsidiary Guarantor under the Notes, under the Indenture, or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

Transfer and Exchange

A noteholder may transfer or exchange Notes in accordance with the Indenture. Upon any transfer or exchange, the registrar and the Notes Trustee may require a noteholder, among other things, to furnish appropriate endorsements and transfer documents and the Issuer may require a noteholder to pay any taxes required by law or permitted by the Indenture. The Issuer is not required to transfer or exchange any Note selected for redemption or to transfer or exchange any Note for a period of 15 days prior to a selection of Notes to be redeemed. The Notes will be issued in registered form and the registered holder of a Note is treated as the owner of such Note for all purposes.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect (except as to certain surviving provisions, including with respect to rights of registration or transfer or exchange of Notes, as expressly provided for in the Indenture) as to all outstanding Notes when:

(1) either (a) all the Notes theretofore authenticated and delivered (except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Issuer and thereafter repaid to the Issuer or discharged from such trust) have been delivered to the Notes Trustee for cancellation or (b) all of the Notes (i) have become due and payable, (ii) will become due and payable at their Stated Maturity within one year or (iii) if redeemable at the option of the Issuer, are to be called for redemption within one year under arrangements satisfactory to the Notes Trustee for the giving of notice of redemption by the Notes Trustee in the name, and at the expense, of the Issuer, and the Issuer has irrevocably deposited or caused to be deposited with the Notes Trustee funds in an amount sufficient to pay and discharge the entire Indebtedness on the Notes not theretofore delivered to the Notes Trustee for cancellation, for principal of, premium, if any, and interest on the Notes to the date of deposit together with irrevocable instructions from the Issuer directing the Notes Trustee to apply such funds to the payment thereof at maturity or redemption, as the case may be *provided* that upon any redemption that requires the payment of the Applicable Premium, the amount deposited shall be sufficient for purposes of the Indenture to the extent that an amount is deposited with the Notes Trustee equal to the Applicable Premium calculated as of the date of the notice of redemption, with any deficit as of the date of the redemption only required to be deposited with the Notes Trustee on or prior to the date of the redemption;

(2) the Issuer and/or the Subsidiary Guarantors have paid all other sums payable under the Indenture; and

(3) the Issuer has delivered to the Notes Trustee an Officer's Certificate and an Opinion of Counsel stating that all conditions precedent under the Indenture relating to the satisfaction and discharge of the Indenture have been complied with.

Defeasance

The Issuer at any time may terminate all of its obligations under the Notes and the Indenture with respect to the holders of the Notes ("*legal defeasance*"), except for certain obligations, including those respecting the defeasance trust and obligations to register the transfer or exchange of the Notes, to replace mutilated, destroyed, lost or stolen Notes and to maintain a registrar and paying agent in respect of the Notes. The Issuer at any time may terminate its obligations under the covenants described under "*—Certain Covenants*" for the benefit of the holders of the Notes, the operation of the cross-acceleration provision, the bankruptcy provisions with respect to Significant Subsidiaries, the judgment default provision described under "*—Defaults*" (but only to the extent that those provisions relate to the Defaults with respect to the Notes) and the undertakings and covenants contained under "*—After-Acquired Property*," "*—Security Documents*," "*—Change of Control*" and "*—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets*" ("*covenant defeasance*") for the benefit of the holders of the Notes. If the Issuer exercise its legal defeasance option or its covenant defeasance option, each Subsidiary Guarantor will be released from all of its obligations with respect to the Notes and the Issuer and each Subsidiary Guarantor will be released from all of its obligations with respect to the Security Documents.

The Issuer may exercise its legal defeasance option notwithstanding their prior exercise of its covenant defeasance option. If the Issuer exercise its legal defeasance option, payment of the Notes may not be accelerated because of an Event of Default with respect thereto. If the Issuer exercise its covenant defeasance option, payment of the Notes may not be accelerated because of an Event of Default specified in clauses (3), (4) and (5) (with respect only to Significant Subsidiaries), (6), (7), (8) or (9) under "*—Defaults*" or because of the failure of the Issuer to comply with the first clause (4) under "*—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets*."

In order to exercise their defeasance option, the Issuer must irrevocably deposit in trust (the "*defeasance trust*") with the Notes Trustee money or U.S. Government Obligations for the payment of principal, premium (if any) and interest on the Notes to redemption or maturity, as the case may be, and must comply with certain other conditions, including delivery to the Notes Trustee of an Opinion of Counsel to the effect that beneficial owners of the Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such deposit and defeasance and

will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred (and, in the case of legal defeasance only, such Opinion of Counsel must be based on a ruling of the Internal Revenue Service or change in applicable U.S. federal income tax law); *provided* that upon any redemption that requires the payment of the Applicable Premium, the amount deposited shall be sufficient for purposes of the Indenture to the extent that an amount is deposited with the Notes Trustee equal to the Applicable Premium calculated as of the date of the notice of redemption, with any deficit as of the date of the redemption only required to be deposited with the Notes Trustee on or prior to the date of the redemption. Notwithstanding the foregoing, the Opinion of Counsel required by the immediately preceding sentence with respect to a legal defeasance need not be delivered if all of the Notes not theretofore delivered to the Notes Trustee for cancellation (x) have become due and payable or (y) will become due and payable at their Stated Maturity within one year under arrangements satisfactory to the Notes Trustee for the giving of notice of redemption by the Notes Trustee in the name, and at the expense, of the Issuer.

Concerning the Notes Trustee

U.S. Bank Trust Company, National Association will be the Notes Trustee under the Indenture and appointed by the Issuer as registrar and a paying agent with regard to the Notes.

Governing Law

The Indenture will provide that it and the Notes will be governed by, and construed in accordance with, the laws of the State of New York.

Certain Definitions

"*2025 Secured Notes*" means the Issuer's 6.250% senior secured notes due 2025, issued pursuant to the 2025 Secured Notes Indenture.

"*2025 Secured Notes Indenture*" means that certain indenture, dated as of July 6, 2020, governing the 2025 Secured Notes, as it may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"*2027 Notes*" means the Issuer's 8.125% senior notes due 2027, issued pursuant to the 2027 Notes Indenture.

"*2027 Notes Indenture*" means that certain indenture, dated as of July 6, 2020, governing the 2027 Notes, as it may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"*2029 Notes*" means the Issuer's 4.625% senior notes due 2029, issued pursuant to the 2029 Notes Indenture.

"*2029 Notes Indenture*" means that certain indenture, dated as of September 24, 2021, governing the 2029 Notes, as it may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"*2030 Secured Notes*" means the Issuer's 7.000% senior secured notes due 2030, issued pursuant to the 2030 Secured Notes Indenture.

"*2030 Secured Notes Indenture*" means that certain indenture, dated as of February 6, 2023, governing the 2030 Secured Notes, as it may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"*Acquired Indebtedness*" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged, consolidated or amalgamated with or into or became a Restricted Subsidiary of such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"*Additional Master Lease*" means any Gaming Lease that is similar in form to, or not materially less favorable to, the Issuer and/or its Restricted Subsidiaries than, a Master Lease referred to in clauses (i) and (ii) of the definition thereof as originally in effect (as determined by the Issuer in good faith) and is entered into between the Issuer and/or one of its Restricted Subsidiaries and the landlord under such Gaming Lease.

"*Additional First Lien Secured Party*" means the holders of any Other First Priority Lien Obligations that are Incurred after the Issue Date and any Authorized Representative with respect thereof.

"*Affiliate*" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "*control*" (including, with correlative meanings, the terms "*controlling*," "*controlled by*" and "*under common control with*"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

"*After-Acquired Property*" means any property of the Issuer or any Subsidiary Guarantor that secures any First Priority Lien Obligations that is not already subject to the Lien under the Security Documents, other than any Excluded Assets.

"*Applicable Measurement Period*" means the most recently completed four consecutive fiscal quarters of the Issuer immediately preceding the applicable calculation date for which internal financial statements are available.

"*Applicable Premium*" means, with respect to any Note on any applicable redemption date, as determined by the Issuer, the greater of:

(1) 1% of the then outstanding principal amount of the Note; and

(2) the excess of:

(a) the present value at such redemption date of (i) the redemption price of the Note, at , 2027 (such redemption price being set forth in the applicable table appearing above under "— *Optional Redemption*") plus (ii) all required interest payments due on the Note through , 2027 (excluding accrued but unpaid interest), computed using a discount rate equal to the Treasury Rate as of such redemption date, or in the case of a satisfaction and discharge of the Indenture or a legal defeasance or covenant defeasance under the Indenture, the Treasury Rate as of two Business Days prior to the date on which funds to pay the Notes are deposited with the Notes Trustee under the Indenture, plus 50 basis points; over

(b) the then outstanding principal amount of the Note.

"*Asset Sale*" means:

(1) the sale, conveyance, transfer or other disposition (whether in a single transaction or a series of related transactions) of property or assets (including by way of a Sale/Leaseback Transaction) outside the ordinary course of business of the Issuer or any Restricted Subsidiary (each referred to in this definition as a "*disposition*");

(2) the issuance or sale of Equity Interests (other than directors' qualifying shares and shares issued to foreign nationals or other third parties to the extent required by applicable law) of any Restricted Subsidiary (other than to the Issuer or to a Restricted Subsidiary of the Issuer) (whether in a single transaction or a series of related transactions);

(3) a Convention Center Unrestricted Subsidiary Sale; or

(4) an Interactive Entertainment Unrestricted Subsidiary Sale, in each case other than:

(a) a disposition of Cash Equivalents or Investment Grade Securities or surplus, obsolete, damaged or worn out property or equipment in the ordinary course of business;

(b) the disposition of all or substantially all of the assets of the Issuer in a manner permitted pursuant to the provisions described above under "*—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets*" or any disposition that constitutes a Change of Control;

(c) any Restricted Payment or Permitted Investment that is permitted to be made, and is made, under the covenant described above under "*—Certain Covenants—Limitation on Restricted Payments*";

(d) any disposition of assets of the Issuer or any Restricted Subsidiary or issuance or sale of Equity Interests of any Restricted Subsidiary in any single transaction or series of related transactions, which assets or Equity Interests so disposed or issued in such transaction or related transactions have an aggregate Fair Market Value (as determined in good faith by the Issuer) of less than the greater of $115 million and 5.0% of EBITDA for the Applicable Measurement Period;

(e) any sale, transfer, lease or other disposition of property or assets, or the issuance of securities, by a Restricted Subsidiary or the Issuer to another Restricted Subsidiary or the Issuer;

(f) any exchange of assets (including a combination of assets and Cash Equivalents) for assets (in each case including Equity Interests) related to a Similar Business of comparable or greater market value or usefulness to the business of the Issuer and its Restricted Subsidiaries as a whole, as determined in good faith by the Issuer;

(g) foreclosure or any similar action with respect to any property or other asset of the Issuer or any of its Restricted Subsidiaries;

(h) any sale, conveyance, transfer or other disposition of Equity Interests in, or Indebtedness or other securities of, an Unrestricted Subsidiary (other than a Convention Center Unrestricted Subsidiary Sale or an Interactive Entertainment Unrestricted Subsidiary Sale);

(i) the lease, license, easement, assignment, sublease or sublicense of any real or personal property; *provided*, *further*, that upon request by the Issuer, the Collateral Agent on behalf of the First Lien Secured Parties shall provide the tenant, subtenant or licensee with a subordination, non-disturbance and attornment agreement substantially in the form referred to in any applicable Credit Agreement or in such other form as is reasonably satisfactory to the Collateral Agent and the Issuer;

(j) any sale, lease or other disposition of inventory or other assets in the ordinary course of business;

(k) any sales, licenses, sublicenses, grants or other dispositions or abandonment of intellectual property (i) in the ordinary course of business or (ii) if determined by the management of the Issuer to be no longer useful or necessary in the operation of the Issuer or any of its Restricted Subsidiaries;

(l) in the ordinary course of business, any swap of assets, or lease, assignment or sublease of any real or personal property, in exchange for services (including in connection with any outsourcing arrangements) of comparable or greater value or usefulness to the business of the Issuer and its Restricted Subsidiaries as a whole, as determined in good faith by the Issuer;

(m) a sale, conveyance, transfer or other disposition (including by capital contribution) of accounts receivable and related assets of the type specified in the definition of "Receivables Financing" (or a fractional undivided interest therein) by a Receivables Subsidiary in a Qualified Receivables Financing;

(n) any financing transaction with respect to property built or acquired by the Issuer or any Restricted Subsidiary after the Issue Date, including any Sale/Leaseback Transaction or asset securitization permitted by the Indenture;

(o) dispositions in connection with or constituting Permitted Liens;

(p) any disposition of Capital Stock of the Issuer or a Restricted Subsidiary pursuant to an agreement or other obligation with or to a Person (other than the Issuer or a Restricted Subsidiary) from

whom such Restricted Subsidiary was acquired or from whom such Restricted Subsidiary acquired its business and assets (having been newly formed in connection with such acquisition), made as part of such acquisition and in each case comprising all or a portion of the consideration in respect of such sale or acquisition;

(q) any sale, transfer, lease, license or disposition (i) made pursuant to (A) any Master Lease, any Gaming Lease, any MLSA or any Operations Management Agreement or (B) any call right agreement or right of first refusal agreement and (ii) any Permitted Disposition;

(r) the sale of any property in a Sale/Leaseback Transaction within 270 days of the acquisition of such property;

(s) dispositions of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;

(t) any surrender or waiver of contract rights or the settlement, release, recovery on or surrender of contract, tort or other claims of any kind;

(u) any leases, subleases, easements or licenses with respect to any Real Property (or any portion thereof) entered into by the Issuer or a Restricted Subsidiary so long as such transaction, lease, sublease, easement or license would not reasonably be expected to materially interfere with, or materially impact or detract from, the operation of the applicable Project;

(v) the (i) lease, sublease or license of any portion of any Project to Persons who, either directly or through Affiliates of such Persons, intend to operate or manage nightclubs, bars, restaurants, recreation areas, spa, pool, exercise or gym facilities, or entertainment or retail venues or similar or related establishments or facilities within a Project or other establishments or facilities ancillary to or supportive of the operations of a Project and (ii) the grant of declarations of covenants, conditions and restrictions and/ or easements with respect to common area spaces and similar instruments benefiting such tenants of such leases, subleases and licenses generally and/or entered into connection with any Project (collectively, the "*Venue Easements*" and together with any such leases, subleases and licenses, the "*Venue Documents*"); *provided* that (A) the Issuer or a Restricted Subsidiary shall be required to maintain control (which may be through required contractual standards) over the primary aesthetics and standards of service and quality of the business being operated or conducted in connection with any such leased, subleased or licensed space and (B) no Venue Easements or operations conducted pursuant thereto would reasonably be expected to materially interfere with, or materially impair or detract from, the operation of the applicable Project; *provided*, *further*, that upon request by the Issuer, the Collateral Agent on behalf of the First Lien Secured Parties shall provide the tenant, subtenant or licensee under any Venue Document with a subordination, non-disturbance and attornment agreement substantially in the form referred to in any applicable Credit Agreement or in such other form as is reasonably satisfactory to the Collateral Agent and the Issuer;

(w) the dedication of space or other dispositions of property in connection with and in furtherance of constructing structures or improvements reasonably related to the development, construction and operation of a Project; *provided* that in each case such dedication or other disposition is in furtherance of, and does not materially impair or interfere with the use or operations (or intended use or operations) of, the Issuer and its Restricted Subsidiaries;

(x) dedications of, or the granting of easements, rights of way, rights of access and/or similar rights, or other dispositions of property, to any governmental authority, utility providers, cable or other communication providers and/or other parties providing services or benefits to any Project, the Real Property held by the Issuer, a Restricted Subsidiary or the public at large that would not reasonably be expected to interfere in any material respect with the operations of the Issuer and its Restricted Subsidiaries; *provided* that upon request by the Issuer, the Collateral Agent on behalf of the First Lien Secured Parties shall subordinate its Mortgage on such Real Property to such easement, right of way, right of access or similar agreement in such form referred to in any applicable Credit Agreement or in such other form as is reasonably satisfactory to the Collateral Agent and the Issuer;

(y) dispositions of (i) non-core assets acquired or (ii) property or assets or Equity Interests of any Subsidiary required to be disposed of by antitrust or other regulatory agencies, in each case, in connection with an acquisition or Investment permitted under the Indenture;

(z) any Interim Trust Asset Disposition;

(aa) the transaction contemplated by the Paid-Up Oil and Gas Leases and other sales or leases of oil, gas or mineral rights; and

(bb) the sale, conveyance, transfer or other disposition of Non-Core Land.

"*Authorized Representative*" means (i) in the case of any Credit Agreement Obligations or the holders of any Credit Agreement Obligations, the administrative agent under the CEI Credit Agreement, (ii) in the case of the Notes Obligations or the holders of the Notes, the Notes Trustee and (iii) in the case of any Series of Other First Priority Lien Obligations or Additional First Lien Secured Parties that become subject to the First Lien Intercreditor Agreement, the authorized representative (and successor thereto) named for such Series in the applicable joinder agreement.

"*Bank Indebtedness*" means any and all amounts payable under or in respect of any Credit Agreement and the other Credit Agreement Documents as amended, restated, supplemented, waived, replaced, restructured, repaid, refunded, refinanced or otherwise modified from time to time (including after termination of such Credit Agreement), including principal, premium (if any), interest (including interest, fees and expenses accruing on or after the filing of any petition in bankruptcy or for reorganization relating to the Issuer, whether or not a claim for post-filing interest, fees and expenses is allowed or allowable under such proceedings), fees, charges, expenses, reimbursement Obligations, guarantees and all other amounts payable thereunder or in respect thereof.

"*Bankruptcy Code*" means Title 11 of the United States Code, as amended, modified or supplemented from time to time or any similar federal or state law for the relief of debtors.

"*Bankruptcy Law*" shall mean the Bankruptcy Code and any similar federal, state or foreign law for the relief of debtors.

"*Board of Directors*" means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the Board of Directors of the general partner of that partnership;

(3) with respect to a limited liability company, the board of managers of such limited liability company or any committee thereof duly authorized to act on behalf of such board or the managing member or members or any controlling committee of managing members thereof, as applicable; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

"*Business Day*" means any day other than a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed.

"*Capital Expenditures*" means, for any Person in respect of any period, (a) the aggregate of all expenditures (whether paid in cash or accrued as liabilities and including in all events amounts expended or capitalized under Capitalized Lease Obligations) Incurred by such Person during such period that, in accordance with GAAP, are or should be included in "additions to property, plant or equipment" or similar items reflected in the statement of cash flows of such Person and (b) Capitalized Software Expenditures.

"*Capital Stock*" means:

(1) in the case of a corporation, corporate stock or shares;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"*Capitalized Lease Obligation*" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) in accordance with GAAP; *provided* that each Designated Operating Lease, Master Lease and Gaming Lease shall for all purposes not be treated as Capitalized Lease Obligations or Indebtedness.

"*Capitalized Software Expenditures*" means, for any period, the aggregate of all expenditures (whether paid in cash or accrued as liabilities) during such period in respect of licensed or purchased software or internally developed software and software enhancements that, in conformity with GAAP, are or are required to be reflected as capitalized costs on a balance sheet (excluding the footnotes thereto).

"*Carano Family Entity*" means any trust or entity majority owned and controlled by or established for the benefit of, or the estate of, any of the Carano Holders.

"*Carano Holders*" means (a) Donald L. Carano, Gene R. Carano, Gregg R. Carano, Gary L. Carano, Cindy L. Carano and Glenn T. Carano or any of their spouses or lineal descendants (including without limitation, step-children and adopted children and their lineal descendants), (b) their heirs at law and their estates and the beneficiaries thereof, (c) any charitable foundation created by any of them or (d) a Carano Family Entity.

"*Cash Equivalents*" means:

(1) U.S. dollars, pounds sterling, euros, the national currency of any country that was on the Issue Date or becomes a member state in the European Union or, in the case of any Foreign Subsidiary that is a Restricted Subsidiary, such local currencies held by it from time to time in the ordinary course of business;

(2) securities issued or directly and fully guaranteed or insured by the U.S. government, the United Kingdom government or any country that was on the Issue Date or becomes a member of the European Union or any agency or instrumentality thereof in each case maturing not more than two years from the date of acquisition;

(3) certificates of deposit, time deposits and Eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances, in each case with maturities not exceeding one year and overnight bank deposits, in each case with any commercial bank having capital and surplus in excess of $250 million and whose long-term debt, or whose parent company's long-term debt, is rated "A" or the equivalent thereof by Moody's or S&P (or reasonably equivalent ratings of another internationally recognized ratings agency);

(4) repurchase obligations for underlying securities of the types described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;

(5) commercial paper issued by a corporation (other than an Affiliate of the Issuer) rated at least "A1" or the equivalent thereof by Moody's or S&P (or reasonably equivalent ratings of another internationally recognized ratings agency) and in each case maturing within one year after the date of acquisition;

(6) readily marketable direct Obligations issued by any state of the United States of America or any political subdivision thereof having one of the two highest rating categories obtainable from either Moody's or S&P (or reasonably equivalent ratings of another internationally recognized ratings agency) in each case with maturities not exceeding two years from the date of acquisition;

(7) Indebtedness issued by Persons with a rating of "A" or higher from S&P or "A-2" or higher from Moody's (or reasonably equivalent ratings of another internationally recognized ratings agency) in each case with

maturities not exceeding two years from the date of acquisition;

(8) investment funds investing at least 95% of their assets in securities of the types described in clauses (1) through (7) above;

(9) money market funds that (i) comply with the criteria set forth in Rule 2a-7 under the Investment Company Act of 1940, as amended, (ii) are rated AAA by S&P and Aaa by Moody's and (iii) have portfolio assets of at least $5.0 billion;

(10) time deposit accounts, certificates of deposit and money market deposits in an aggregate face amount not in excess of 0.5% of the Total Assets of the Issuer and its Subsidiaries, on a combined or consolidated basis, as of the end of the Issuer's most recently completed fiscal year; and

(11) instruments equivalent to those referred to in clauses (1) through (10) above denominated in any foreign currency comparable in credit quality and tenor to those referred to above or commonly used by corporations for cash management purposes in any jurisdiction outside the United States to the extent reasonably required in connection with any business conducted by any Subsidiary organized in such jurisdiction.

"*CEC*" means Caesars Entertainment Corporation, or any successor thereto.

"*CEI Credit Agreement*" means that certain Credit Agreement, dated as of July 20, 2020, among the Issuer, the lenders from time to time party thereto, JPMorgan Chase Bank, N.A., as administrative agent, and U.S. Bank National Association, as collateral agent, as amended, restated, adjusted, waived, renewed, supplemented, modified, refinanced, restructured, increased or replaced from time to time, including pursuant to the CEI Credit Agreement Amendment (whether with the same or different lenders and agents, and including increases in amounts) and designated as the "CEI Credit Agreement" by the Issuer.

"*CEI Credit Agreement Amendment*" means the incremental assumption agreement to be delivered under the CEI Credit Agreement contemplated at the time of the completion of the offering of the Notes, as it may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"*CEI Credit Facilities*" means Caesars Entertainment, Inc.'s senior secured credit facilities under the CEI Credit Agreement.

"*CEOC*" means CEOC, LLC, or any successor thereto.

"*CES*" means Caesars Enterprise Services, LLC, or any successor thereto.

"*CES Agreements*" means (a) the Third Amended and Restated Omnibus License and Enterprises Services Agreement, dated as of December 26, 2018, by and among CES, CEOC, CRC, Caesars License Company, LLC and Caesars World LLC, as amended by the First Amendment to the Third Amended and Restated Omnibus License and Enterprise Services Agreement, dated as of July 20, 2020 and (b) the Second Amended and Restated Limited Liability Company Agreement of CES, dated as of January 14, 2015, in each case, as amended, restated, amended and restated, supplemented or otherwise modified from time to time.

"*CFC*" means a "controlled foreign corporation" within the meaning of Section 957(a) of the Code.

"*Change of Control*" means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Issuer and its Subsidiaries taken as a whole to any Person (including any "person" (as that term is used in Section 13(d)(3) of the Exchange Act)) other than a Permitted Holder or a Related Party of a Permitted Holder; or

(2) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act (but

excluding (i) any employee benefit plan of such person or its Subsidiaries, (ii) any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan and (iii) one or more Permitted Holders)) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that a "person" or "group" shall be deemed to have "beneficial ownership" of all Equity Interests that such "person" or "group" has the right to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an "option right")), directly or indirectly, of more than 50% of the Equity Interests of the Issuer entitled to vote for members of the board of directors (or equivalent governing body).

Notwithstanding the preceding or any provision of Section 13d-3 of the Exchange Act, a Person or group shall be deemed not to beneficially own Equity Interests subject to a stock or asset purchase agreement, merger agreement, option agreement, warrant agreement or similar agreement (or voting or option or similar agreement related thereto) until the consummation of the acquisition of the Equity Interests in connection with the transactions contemplated by such agreement.

"*Code*" means the Internal Revenue Code of 1986, as amended.

"*Collateral*" means all property subject or purported to be subject, from time to time, to a Lien under any Security Documents.

"*Collateral Agent*" means U.S. Bank National Association, in its capacity as collateral agent for the holders of the Notes and the Other First Lien Secured Parties (as defined in the Collateral Agreement), together with its successors and permitted assigns; *provided* that if such Collateral Agent is not U.S. Bank National Association, such Collateral Agent shall have become a party to the First Lien Intercreditor Agreement.

"*Collateral Agreement*" means the collateral agreement among the Issuer, the Subsidiary Guarantors and U.S. Bank National Association, as Collateral Agent, as it may be amended, restated, supplemented or otherwise modified from time to time in accordance with its terms and the Indenture.

"*Consolidated Cash Interest Expense*" shall mean, with respect to the Issuer, Consolidated Interest Expense for such period, less the sum of, without duplication, (a) pay in kind Consolidated Interest Expense and other non-cash Consolidated Interest Expense (including as a result of the effects of purchase accounting), (b) to the extent included in Consolidated Interest Expense, (i) the amortization of any deferred financing fees, debt issuance costs (including original issue discount), commissions, fees and expenses and financing fees and expenses paid by, or on behalf of, the Issuer or any Restricted Subsidiary, including such fees paid in connection with the Transactions or upon entering into a permitted Receivables Financing, and (ii) the expensing of any bridge, commitment, arrangement, advisory, amendment, structuring, success, upfront, ticking or other financing fees and expenses, including those paid in connection with the Transactions or upon entering into a permitted Receivables Financing or any amendment of any Credit Agreement and (c) the amortization of debt discounts, if any, or fees in respect of hedge agreements.

"*Consolidated Depreciation and Amortization Expense*" means, with respect to the Issuer for any period, the total amount of depreciation and amortization expense, including the amortization of intangible assets, deferred financing fees and Capitalized Software Expenditures and amortization of unrecognized prior service costs and actuarial gains and losses related to pensions and other post-employment benefits, of the Issuer and its Restricted Subsidiaries for such period on a consolidated basis and otherwise determined in accordance with GAAP.

"*Consolidated Interest Expense*" means, with respect to the Issuer for any period, the sum, without duplication, of:

(1) consolidated interest expense of the Issuer and its Restricted Subsidiaries for such period (and to the extent not included in consolidated interest expense, (x) all cash dividend payments (excluding items eliminated in consolidation) on any series of Preferred Stock or Disqualified Stock and (y) costs of surety bonds in connection with financing activities), to the extent such expense was deducted in computing Consolidated Net Income (including amortization of original issue discount, the interest component of Capitalized Lease Obligations, and net payments and receipts (if any) pursuant to, and costs Incurred in connection with, interest rate Hedging Obligations and including amortization of deferred financing fees, debt issuance costs, commissions, fees and expenses and expensing of any bridge, commitment or other financing fees); plus

(2) consolidated capitalized interest of the Issuer and its Restricted Subsidiaries for such period, whether paid or accrued; plus

(3) commissions, discounts, yield and other fees and charges Incurred in connection with any Receivables Financing which are payable to Persons other than the Issuer and its Restricted Subsidiaries.

For purposes of this definition, interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by the Issuer to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For the avoidance of doubt, Consolidated Interest Expense shall not include any interest component of the Designated Operating Leases, any Master Lease or any Gaming Lease.

"*Consolidated Leverage Ratio*" means, with respect to the Issuer, at any date the ratio of (i) Consolidated Total Indebtedness (other than (A) Qualified Non-Recourse Debt, (B) Development Expenses (whether or not included in Consolidated Total Indebtedness), (C) Discharged Indebtedness and (D) Escrowed Indebtedness) of the Issuer and its Restricted Subsidiaries as of such date of calculation (determined on a consolidated basis in accordance with GAAP) less the amount of cash and Cash Equivalents in excess of any Restricted Cash held by the Issuer and its Restricted Subsidiaries as of such date of determination to (ii) EBITDA of the Issuer for the four full fiscal quarters for which internal financial statements are available immediately preceding such date on which such additional Indebtedness is Incurred. In the event that the Issuer or any Restricted Subsidiary Incurs, repays, defeases, discharges, repurchases or redeems any Indebtedness subsequent to the commencement of the period for which the Consolidated Leverage Ratio is being calculated but on or prior to the event for which the calculation of the Consolidated Leverage Ratio is made (the "*Consolidated Leverage Calculation Date*"), then the Consolidated Leverage Ratio shall be calculated giving pro forma effect to such Incurrence, repayment, defeasance, discharge, repurchase or redemption of Indebtedness as if the same had occurred at the beginning of the applicable four-quarter period; *provided* that the Issuer may elect pursuant to an Officer's Certificate delivered to the Notes Trustee to treat all or any portion of the commitment under any Indebtedness as being Incurred at such time, in which case any subsequent Incurrence of Indebtedness under such commitment shall not be deemed, for purposes of this calculation, to be an Incurrence at such subsequent time.

For purposes of making the computation referred to above, Investments, acquisitions, dividends and distributions, dispositions, mergers, amalgamations, consolidations and discontinued operations (as determined in accordance with GAAP), in each case with respect to an operating unit of a business, any execution of a Gaming Lease, any amendment, modification, termination or waiver to any provision of any Master Lease or Gaming Lease, any capital expenditure, construction, repair, replacement, improvement, development, Expansion Capital Expenditure or Development Project and any restructurings, operating improvements, or cost savings initiatives or similar initiatives of the business that the Issuer or any Restricted Subsidiary has determined to make and/or made during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Consolidated Leverage Calculation Date shall be calculated on a pro forma basis assuming that all such Investments, acquisitions, dividends and distributions, dispositions, mergers, amalgamations, consolidations, discontinued operations, execution of a Gaming Lease, amendment, modification, termination or waiver to any provision of any Master Lease or Gaming Lease, any capital expenditure, construction, repair, replacement, improvement, development, Expansion Capital Expenditure or Development Project and other restructurings, operating improvements, or cost savings initiatives or similar initiatives (which shall include cost savings resulting from head count reduction, closure of facilities and operational improvements and other cost savings) of the business (and the change of any associated Indebtedness and the change in EBITDA resulting therefrom) had occurred on the first day of the four-quarter reference period. If since the beginning of such period any Person that subsequently became a Restricted Subsidiary or was merged with or into the Issuer or any Restricted Subsidiary since the beginning of such period shall have made any Investment, acquisition, dividend or distribution, disposition, merger, consolidation, amalgamation, discontinued operation, execution of a Gaming Lease, any amendment, modification, termination or waiver to any provision of any Master Lease or Gaming Lease, any capital expenditure, construction, repair, replacement, improvement, development, Expansion Capital Expenditure or Development Project or restructurings, operating improvements, or cost savings initiatives or similar initiatives of the business, in each case with respect to an operating unit of a business, that would have required adjustment pursuant to this definition, then the Consolidated Leverage Ratio shall be calculated giving pro forma effect thereto for such period as if such Investment, acquisition, dividend or distribution, disposition, discontinued operation, merger, amalgamation, consolidation, execution of a Gaming Lease, any amendment, modification, termination or waiver to any provision

of any Master Lease or Gaming Lease, any capital expenditure, construction, repair, replacement, improvement, development, Expansion Capital Expenditure or Development Project or restructurings, operating improvements, or cost savings initiatives or similar initiatives (which shall include cost savings resulting from head count reduction, closure of facilities and operational improvements and other cost savings) of the business had occurred at the beginning of the applicable four-quarter period. For purposes of making the computation referred to above, with respect to each New Project that commences operations and records not less than one full fiscal quarter's operations during the four-quarter reference period, the operating results of such New Project (for each full fiscal quarter completed) will be annualized on a straight-line basis during such period. If since the beginning of such period any Restricted Subsidiary is designated an Unrestricted Subsidiary or any Unrestricted Subsidiary is designated a Restricted Subsidiary, then the Consolidated Leverage Ratio shall be calculated giving pro forma effect thereto for such period as if such designation had occurred at the beginning of the applicable four-quarter period.

For purposes of this definition, whenever pro forma effect is to be given to any event, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Issuer. Any pro forma calculation of this definition may also include (i) adjustments appropriate, in the reasonable good faith determination of the Issuer, to reflect operating expense reductions and other operating improvements, synergies or cost savings reasonably expected to result from the applicable event and any other relevant event that occurred prior to or during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Consolidated Leverage Calculation Date (including, to the extent applicable, from the Transactions) and (ii) any adjustments of the type used in connection with the calculation of "Adjusted EBITDA" as set forth or incorporated in this Offering Memorandum.

For purposes of this definition, any amount in a currency other than U.S. dollars will be converted to U.S. dollars either based on (1) the average exchange rate for such currency for the most recent twelve month period immediately prior to the date of determination in a manner consistent with that used in calculating EBITDA for the applicable period or (2) the exchange ratio used in the applicable financial statements.

"*Consolidated Net Income*" means, with respect to the Issuer for any period, the aggregate of the consolidated Net Income of the Issuer and its Restricted Subsidiaries for such period, on a consolidated basis; *provided*, *however*, that:

(1) any net after-tax extraordinary, nonrecurring, exceptional or unusual gains or losses or income, expenses or charges or accruals or reserves (less all fees and expenses relating thereto), including, without limitation, any costs, fees, expenses or charges related to entrance into or amendment, waiver, termination or modification of a Master Lease or Gaming Lease, any severance, relocation, contract termination, legal settlements, transition, integration, insourcing, outsourcing, recruiting or other restructuring expenses, expenses or charges related to curtailments or modifications to pension and post-retirement employee benefit plans, any expenses related to any reconstruction, decommissioning, recommissioning, conversion or reconfiguration of fixed assets for alternate uses and fees, expenses or charges relating to facilities closing costs, excess pension charges, acquisition integration costs, facilities opening costs, project start-up costs, business optimization costs, transition costs, signing, retention or completion bonuses, expenses, fees or charges related to any issuance of Equity Interests or debt securities, Investment, acquisition, disposition, recapitalization or issuance, repayment, refinancing, amendment or modification of Indebtedness (in each case, whether or not successful), and any fees, expenses, costs, charges or change in control payments related to the Transactions (including any costs relating to auditing prior periods, transition-related expenses and expenses related to the Transactions incurred before, on or after the Issue Date), in each case, shall be excluded;

(2) effects of purchase accounting adjustments (including the effects of such adjustments pushed down to any Restricted Subsidiaries) in amounts required or permitted by GAAP, including those resulting from the application of purchase accounting, including those in relation to the Transactions or any consummated acquisition or Investment, or the amortization or write-off of any amounts thereof, net of taxes, shall be excluded;

(3) the Net Income for such period shall not include the cumulative effect of a change in accounting principles during such period;

(4) any net after-tax income or loss from disposed, abandoned, transferred, closed or discontinued operations and any net after-tax gains or losses on disposal of disposed, abandoned, transferred, closed or

discontinued operations shall be excluded;

(5) any net after-tax gains or losses (less all fees and expenses or charges relating thereto) attributable to business dispositions or asset dispositions other than in the ordinary course of business (as determined in good faith by management of the Issuer) shall be excluded;

(6) any net after-tax gains or losses (less all fees and expenses or charges relating thereto) attributable to the early extinguishment of Indebtedness, Hedging Obligations or other derivative instruments shall be excluded;

(7) (A) the Net Income for such period of any Person that is not a Subsidiary of the Issuer, or is an Unrestricted Subsidiary or a Qualified Non-Recourse Subsidiary, or that is accounted for by the equity method of accounting, shall be included only to the extent of the amount of dividends or distributions or other payments paid in cash (or to the extent converted into cash) to the Issuer or a Restricted Subsidiary thereof (other than a Qualified Non-Recourse Subsidiary of the Issuer) in respect of such period and (B) the Consolidated Net Income for such period shall include any ordinary course dividend, distribution or other payment in cash received from any Person in excess of the amounts included in clause (A);

(8) [reserved];

(9) any impairment charges or asset write-offs, in each case pursuant to GAAP, and the amortization of intangibles adjustments arising pursuant to GAAP shall be excluded;

(10) any non-cash charge or expense realized or resulting from stock option plans, employee benefit plans or post-employment benefit plans, or grants or sales of stock, stock appreciation or similar rights, stock options, restricted stock, preferred stock or other rights shall be excluded;

(11) any (a) non-cash compensation charges, (b) costs and expenses related to employment of terminated employees or (c) costs or expenses realized in connection with or resulting from stock appreciation or similar rights, stock options or other rights of officers, directors and employees, in each case of the Issuer or any of its Restricted Subsidiaries, shall be excluded;

(12) accruals and reserves that are established or adjusted within 12 months after the Issue Date or the date of any acquisition or Investment and that are so required to be established or adjusted in accordance with GAAP or as a result of adoption or modification of accounting policies shall be excluded;

(13) (a)(i) the non-cash portion of "straight-line" rent expense shall be excluded and (ii) the cash portion of "straight-line" rent expense which exceeds the amount expensed in respect of such rent expense shall be included and (b) non-cash gains, losses, income and expenses resulting from fair value accounting required by the applicable standard under GAAP and related interpretations shall be excluded;

(14) any currency translation gains and losses related to changes in foreign currency exchange rates (including, without limitation, currency remeasurements of Indebtedness), and any net loss or gain resulting from hedging transactions for currency exchange risk, shall be excluded;

(15) (a) to the extent covered by insurance and actually reimbursed, or, so long as the Issuer has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer and only to the extent that such amount is (i) not denied by the applicable carrier in writing within 180 days and (ii) in fact reimbursed within 365 days of the date of such evidence (with a deduction for any amount so added back to the extent not so reimbursed within 365 days), expenses with respect to liability or casualty events or business interruption shall be excluded and (b) amounts estimated in good faith to be received from insurance in respect of lost revenues or earnings in respect of liability or casualty events or business interruption shall be included (with a deduction for amounts actually received up to such estimated amount to the extent included in Net Income in a future period);

(16) non-cash charges for deferred tax asset valuation allowances shall be excluded; and

(17) Consolidated Net Income shall be calculated by deducting, without duplication of amounts otherwise deducted, rent, insurance, property taxes and other amounts and expenses actually paid in cash under the Master

Leases or any Gaming Lease in the applicable period and no deductions in calculating Consolidated Net Income shall occur as a result of imputed interest, amounts under the Master Leases or any Gaming Lease not paid in cash during the relevant period or other non-cash amounts Incurred in respect of the Master Leases or any Gaming Lease; *provided* that any "true-up" of rent paid in cash pursuant to the Master Leases or any Gaming Lease shall be accounted for in the fiscal quarter to which such payment relates as if such payment were originally made in such fiscal quarter.

"*Consolidated Non-cash Charges*" means, with respect to the Issuer for any period, the non-cash expenses (other than Consolidated Depreciation and Amortization Expense) of the Issuer and its Restricted Subsidiaries reducing Consolidated Net Income of the Issuer for such period on a consolidated basis and otherwise determined in accordance with GAAP; *provided* that if any such non-cash expenses represent an accrual or reserve for potential cash items in any future period, the cash payment in respect thereof in such future period shall be subtracted from EBITDA in such future period to the extent paid, but excluding from this proviso, for the avoidance of doubt, amortization of a prepaid cash item that was paid in a prior period.

"*Consolidated Taxes*" means, with respect to the Issuer for any period, the provision for taxes based on income, profits or capital of the Issuer and the Restricted Subsidiaries, including, without limitation, state, franchise, property, excise and similar taxes, foreign withholding taxes (including penalties and interest related to such taxes or arising from tax examinations).

"*Consolidated Total Indebtedness*" means, as of any date of determination, an amount equal to the sum (without duplication) of (1) the aggregate principal amount of all outstanding Indebtedness of the Issuer and the Restricted Subsidiaries (excluding any undrawn letters of credit or bank guarantees) consisting of Capitalized Lease Obligations and Indebtedness for borrowed money, plus (2) the aggregate amount of all outstanding Disqualified Stock of the Issuer and the Restricted Subsidiaries and all Preferred Stock of Restricted Subsidiaries, with the amount of such Disqualified Stock and Preferred Stock equal to the greater of their respective voluntary or involuntary liquidation preferences, in each case determined on a consolidated basis in accordance with GAAP; *provided* that, for the avoidance of doubt Consolidated Total Indebtedness shall not include guarantees in respect of the foregoing, *provided*, *however*, that if and when any such guarantee in respect of the foregoing that does not constitute Consolidated Total Indebtedness is demanded for payment from the Issuer or any of its Restricted Subsidiaries, then the amounts of such guarantee in respect of the foregoing shall be included in such calculations of Consolidated Total Indebtedness.

"*Contingent Obligations*" means, with respect to any Person, any obligation of such Person guaranteeing any leases, dividends or other obligations that do not constitute Indebtedness ("*primary obligations*") of any other Person (the "*primary obligor*") in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent:

(1) to purchase any such primary obligation or any property constituting direct or indirect security therefor;

(2) to advance or supply funds:

(a) for the purchase or payment of any such primary obligation; or

(b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; or

(3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

"*Controlling Secured Party*" means, with respect to any Shared Collateral, the First Lien Secured Parties whose Authorized Representative is the Applicable Authorized Representative for such Shared Collateral.

"*Convention Center Lease*" means any lease pursuant to which a Convention Center Unrestricted Subsidiary leases the property commonly known as the Caesars Forum Convention Center (which lease may include any related personal property, fixtures, furniture and equipment) to the Issuer or a Restricted Subsidiary of the Issuer

(including, without limitation, that certain Convention Center Lease, dated as of September 18, 2020, by and between Caesars Convention Center Owner, LLC and Eastside Convention Center, LLC), as may be amended, restated, amended and restated, supplemented or otherwise modified or replaced from time to time.

"*Convention Center Unrestricted Subsidiary*" means (a) any Subsidiary of the Issuer that owns the property consisting of the land and real property improvements commonly known as the Caesars Forum Convention Center, which Subsidiary has been the subject of a Convention Center Unrestricted Subsidiary Designation and (b) any Subsidiary of the Issuer all or substantially all of the assets of which are Equity Interests of any Subsidiary described in clause (a) or this clause (b) that has been the subject of a Convention Center Unrestricted Subsidiary Designation.

"*Convention Center Unrestricted Subsidiary Designation*" means (a) the designation as an Unrestricted Subsidiary of (i) the Subsidiary that owns, or is intended to own the land and real property improvements commonly known as the Caesars Forum Convention Center and (ii) any Subsidiary of the Issuer all or substantially all of the assets of which are Equity Interests of any Subsidiary described in clause (a)(i) or this clause (a)(ii) and (b) the contribution or other transfer of the property commonly known as the Caesars Forum Convention Center (which may include any related personal property, fixture, furniture and equipment) to a Convention Center Unrestricted Subsidiary.

"*Convention Center Unrestricted Subsidiary Sale*" means the sale, conveyance, transfer or other disposition (whether in a single transaction or a series of related transactions) of (a) all or substantially all of the property or assets of the Convention Center Unrestricted Subsidiary or (b) all or substantially all of the Equity Interests in the Convention Center Unrestricted Subsidiary.

"*Convention Center Unrestricted Subsidiary Sale Proceeds*" means the aggregate cash proceeds received by the Issuer or any Convention Center Unrestricted Subsidiary from any Convention Center Unrestricted Subsidiary Sale (including, without limitation, any cash received in respect of or upon the sale or other disposition of any non-cash consideration received in any Convention Center Unrestricted Subsidiary Sale and any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise, but only as and when received, but excluding the assumption by the acquiring Person of Indebtedness relating to the disposed assets or other consideration received in any other non-cash form).

"*CRC*" means Caesars Resort Collection, LLC.

"*CRC Credit Agreement*" means that certain Credit Agreement, dated as of December 22, 2017, by and among CRC, the other borrowers party thereto from time to time, the lenders party thereto from time to time and Credit Suisse AG, Cayman Islands Branch, as administrative agent, and U.S. Bank National Association (as successor in interest to Credit Suisse AG, Cayman Islands Branch), as collateral agent party thereto, as amended, restated, adjusted, waived, renewed, supplemented, modified, refinanced, restructured, increased or replaced from time to time (whether with the same or different lenders and agents, and including increases in amounts).

"*CRC Secured Indenture*" means that certain indenture dated as of June 6, 2020, by and among CRC, CRC Finco, Inc. (as successors in interest to Colt Merger Sub, Inc.), and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as trustee and U.S. National Association, as collateral agent, relating to the CRC Secured Notes, as amended, restated, adjusted, waived, renewed, supplemented, modified, refinanced, restructured, increased or replaced from time to time (whether with the same or different noteholders and trustees, and including increases in amounts).

"*CRC Secured Notes*" means the senior secured notes due 2025 issued pursuant to the CRC Secured Indenture, as amended, restated, adjusted, waived, renewed, supplemented, modified, refinanced, restructured, increased or replaced from time to time (whether with the same or different noteholders and trustees, and including increases in amounts).

"*Credit Agreement*" means (i) the CEI Credit Agreement, (ii) the 2025 Secured Notes Indenture (including the 2025 Secured Notes issued thereunder), (iii) the 2030 Secured Notes Indenture (including the 2030 Secured Notes issued thereunder), (iv) the CRC Secured Indenture (including the CRC Secured Notes issued thereunder) (clauses (i), (ii), (iii) and (iv) hereunder, collectively, the "*Existing Credit Agreements*") and (v) whether or not any credit agreement or indenture referred to in clauses (i), (ii), (iii), or (iv) remains outstanding, if designated by the Issuer to

be included in this definition of "Credit Agreement," one or more (A) debt facilities or commercial paper facilities, providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to lenders or to special purpose entities formed to borrow from lenders against such receivables) or letters of credit, (B) debt securities, indentures or other forms of debt financing (including convertible or exchangeable debt instruments or bank guarantees or bankers' acceptances) or (C) instruments or agreements evidencing any other Indebtedness, in each case, with the same or different borrowers or issuers and, in each case, as amended, supplemented, modified, extended, restructured, renewed, refinanced, restated, replaced or refunded in whole or in part from time to time.

"*Credit Agreement Documents*" means the collective reference to any Credit Agreement, any notes issued pursuant thereto and the guarantees thereof, and the collateral documents relating thereto, as amended, supplemented, restated, renewed, refunded, replaced, restructured, repaid, refinanced or otherwise modified, in whole or in part, from time to time (whether with the same or different financial institutions, administrative agents and collateral agents, and including increases in amounts).

"*Credit Agreement Obligations*" means the Obligations under the CEI Credit Agreement.

"*Default*" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"*Designated Non-cash Consideration*" means the Fair Market Value (as determined in good faith by the Issuer) of non-cash consideration received by the Issuer or a Restricted Subsidiary in connection with an Asset Sale (or by an Unrestricted Subsidiary in the case of a Convention Center Unrestricted Subsidiary Sale or Interactive Entertainment Unrestricted Subsidiary Sale) that is so designated as Designated Non-cash Consideration pursuant to an Officer's Certificate, setting forth the basis of such valuation, less the amount of Cash Equivalents received in connection with a subsequent sale of such Designated Non-cash Consideration.

"*Designated Operating Leases*" means, collectively, any obligations of the Issuer or its Subsidiaries, or of a special purpose or other entity not consolidated with the Issuer and its Subsidiaries, either existing on the Issue Date or created thereafter that (i) initially were not included on the consolidated balance sheet of the Issuer as capital lease obligations and were subsequently recharacterized as capital lease obligations or long-term financial obligations or, in the case of such a special purpose or other entity becoming consolidated with the Issuer and its Subsidiaries were required to be characterized as capital lease obligations or long-term financial obligations upon such consolidation, in either case, due to a change in accounting treatment or otherwise or (ii) would not have been required to be characterized as capital lease obligations or long-term financial obligations prior to December 31, 2018 had they existed at that time. Notwithstanding anything to the contrary, the Designated Operating Leases shall be treated as operating leases and not Capitalized Lease Obligations under the Indenture.

"*Designated Preferred Stock*" means Preferred Stock of the Issuer (other than Disqualified Stock), that is issued for cash (other than to the Issuer or any of its Subsidiaries or an employee stock ownership plan or trust established by the Issuer or any of its Subsidiaries) and is so designated as Designated Preferred Stock, pursuant to an Officer's Certificate, by the Issuer on the issuance date thereof.

"*Destruction*" means any damage to, loss or destruction of all or any portion of the Collateral.

"*Development Expenses*" means, without duplication, the aggregate principal amount, not to exceed $1.5 billion (less the amount of Indebtedness outstanding under clause (w) of the second paragraph under "*—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*" at such time) at any time, of (a) outstanding Indebtedness, the proceeds of which, at the time of determination, as determined by a responsible financial or accounting officer of the Issuer, are pending application and are required or intended to be used to fund and (b) amounts spent (whether funded with the proceeds of Indebtedness, cash flow or otherwise) to fund, in each case, (i) Expansion Capital Expenditures of the Issuer or any Restricted Subsidiary, (ii) a Development Project or (iii) interest, fees or related charges with respect to such Indebtedness; *provided* that (A) the Issuer or any Restricted Subsidiary or other Person that owns assets subject to the Expansion Capital Expenditure or Development Project, as applicable, is diligently pursuing the completion thereof and has not at any time ceased construction of such Expansion Capital Expenditure or Development Project, as applicable, for a period in excess of 90 consecutive days (other than as a result of a force majeure event or inability to obtain requisite gaming approvals or other governmental authorizations, so long as, in the case of any such gaming approvals or other governmental authorizations, the Issuer or a Restricted Subsidiary or other applicable Person is diligently pursuing such gaming approvals or governmental

authorizations), (B) no such Indebtedness or funded costs shall constitute Development Expenses with respect to an Expansion Capital Expenditure or a Development Project from and after the end of the first full fiscal quarter after the completion of construction of the applicable Expansion Capital Expenditure or Development Project or, in the case of a Development Project or Expansion Capital Expenditure that was not open for business when construction commenced, from and after the end of the first full fiscal quarter after the date of opening of such Development Project or Expansion Capital Expenditure, if earlier, and (C) in order to avoid duplication, it is acknowledged that to the extent that the proceeds of any Indebtedness referred to in clause (a) above have been applied (whether for the purposes described in clauses (i), (ii) or (iii) above or any other purpose), such Indebtedness shall no longer constitute Development Expenses under clause (a) (it being understood, however, that any such application in accordance with clauses (i), (ii) or (iii) above shall, subject to the other requirements and limitations of this definition, constitute Development Expenses under clause (b) above).

"*Development Project*" means Investments, directly or indirectly, in, or expenditures, directly or indirectly, with respect to, (a) any joint ventures or Unrestricted Subsidiaries in which the Issuer or any of its Restricted Subsidiaries, directly or indirectly, has control or with whom it has a management, development or similar contract and, in the case of a joint venture, in which the Issuer or any of its Restricted Subsidiaries owns (directly or indirectly) at least 25% of the Equity Interest in such joint venture or (b) casinos, casino resorts, "racinos," racetracks, non-gaming resorts, hotels, distributed gaming applications, Interactive Gaming initiatives, entertainment developments, restaurants, retail developments or taverns or Persons that own casinos, casino resorts, "racinos," racetracks, non-gaming resorts, hotels, distributed gaming applications, Interactive Gaming initiatives, entertainment developments, restaurants, retail developments or taverns (including casinos, casino resorts, "racinos," racetracks, non-gaming resorts, hotels, distributed gaming applications, Interactive Gaming initiatives, entertainment developments, restaurants, retail developments or taverns in development or under construction that are not presently open or operating with respect to which the Issuer or any of its Restricted Subsidiaries has (directly or indirectly through Subsidiaries) entered into a management, development or similar contract (or an agreement to enter into such a management, development or similar contract) and such contract remains in full force and effect at the time of such Investment or expenditure, though it may be subject to regulatory approvals), in each case, used to finance, or made for the purpose of allowing such joint venture, Unrestricted Subsidiary, casinos, casino resorts, "racinos," racetracks, non-gaming resorts, hotels, distributed gaming applications, Interactive Gaming initiatives, entertainment developments, restaurants, retail developments or taverns, as the case may be, to finance, the purchase, development, construction or other acquisition of any fixed or capital assets or the refurbishment of existing assets or properties that develops, adds to or significantly improves the property of such joint venture, Unrestricted Subsidiary, casinos, casino resorts, "racinos," racetracks, non-gaming resorts, hotels, distributed gaming applications, Interactive Gaming initiatives, entertainment developments, restaurants, retail developments or taverns and assets ancillary or related thereto (including, without limitation, hotels, restaurants, entertainment, retail and other similar projects), or the construction and development of casinos, casino resorts, "racinos," racetracks, non-gaming resorts, hotels, distributed gaming applications, Interactive Gaming initiatives, entertainment developments, restaurants, retail developments or taverns or assets ancillary or related thereto (including, without limitation, hotels, restaurants, entertainment, retail and other similar projects) and including Pre-Opening Expenses with respect to such joint venture, Unrestricted Subsidiary, casinos, casino resorts, "racinos," racetracks, non-gaming resorts, hotels, distributed gaming applications, Interactive Gaming initiatives, entertainment developments, restaurants, retail developments and taverns.

"*Discharge*" means, with respect to any Shared Collateral and any Series of First Priority Lien Obligations, the date on which such Series of First Priority Lien Obligations is no longer secured by such Shared Collateral in accordance with the terms of the documentation governing such Series. The term "*Discharged*" shall have a corresponding meaning.

"*Discharge of Credit Agreement Obligations*" means, with respect to any Shared Collateral, the Discharge of the Credit Agreement Obligations with respect to such Shared Collateral; *provided* that the Discharge of Credit Agreement Obligations shall not be deemed to have occurred in connection with a refinancing of such Credit Agreement Obligations with additional First Priority Lien Obligations secured by such Shared Collateral under an Other First Lien Agreement (as defined in the First Lien Intercreditor Agreement) which has been designated in writing by the borrower to the Collateral Agent and each other Authorized Representative as the "Credit Agreement" for purposes of the First Lien Intercreditor Agreement.

"*Discharged Indebtedness*" means Indebtedness that has been defeased (pursuant to a contractual or legal defeasance) or discharged pursuant to the prepayment or deposit of amounts sufficient to satisfy such Indebtedness as it becomes due or irrevocably called for redemption (and regardless of whether such Indebtedness constitutes a liability on the balance sheet of the obligors thereof); *provided*, *however*, that the Indebtedness shall be deemed Discharged Indebtedness if the payment or deposit of all amounts required for defeasance or discharge or redemption thereof have been made even if certain conditions thereto have not been satisfied, so long as such conditions are reasonably expected by the Issuer to be satisfied within 95 days after such prepayment or deposit; *provided*, *further*, however, that if the conditions referred to in the immediately preceding proviso are not satisfied within 95 days after such prepayment or deposit, such Indebtedness shall cease to constitute Discharged Indebtedness after such 95-day period.

"*Disinterested Director*" means, with respect to any Person and transaction, a member of the Board of Directors of such Person who does not have any material direct or indirect financial interest in or with respect to such transaction.

"*Disqualified Stock*" means, with respect to any Person, any Capital Stock of such Person which, by its terms (or by the terms of any security into which it is convertible or for which it is redeemable or exchangeable), or upon the happening of any event:

(1) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise (other than as a result of a change of control or asset sale);

(2) is convertible or exchangeable for Indebtedness or Disqualified Stock of such Person; or

(3) is redeemable at the option of the holder thereof, in whole or in part (other than solely as a result of a change of control or asset sale);

in each case prior to 91 days after the earlier of the maturity date of the Notes or the date the Notes are no longer outstanding; *provided*, *however*, that only the portion of Capital Stock which so matures or is mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date shall be deemed to be Disqualified Stock; *provided*, *further*, *however,* that if such Capital Stock is issued to any employee or to any plan for the benefit of employees of the Issuer or its Subsidiaries or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Stock solely because it may be required to be repurchased by such Person in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's termination, death or disability; *provided*, *further*, that any class of Capital Stock of such Person that by its terms authorizes such Person to satisfy its obligations thereunder by delivery of Capital Stock that is not Disqualified Stock shall not be deemed to be Disqualified Stock.

"*Dividing Person*" has the meaning assigned to it in the definition of "Division."

"*Division*" means the division of the assets, liabilities and/or obligations of a Person (the "*Dividing Person*") among two or more Persons (whether pursuant to a "plan of division" or similar arrangement), which may or may not include the Dividing Person and pursuant to which the Dividing Person may or may not survive.

"*Division Successor*" means any Person that, upon the consummation of a Division of a Dividing Person, holds all or any portion of the assets, liabilities and/or obligations previously held by such Dividing Person immediately prior to the consummation of such Division. A Dividing Person which retains any of its assets, liabilities and/or obligations after a Division shall be deemed a Division Successor upon the occurrence of such Division.

"*Domestic Subsidiary*" means a Restricted Subsidiary that is not a Foreign Subsidiary.

"*EBITDA*" means, with respect to the Issuer and the Restricted Subsidiaries on a consolidated basis for any period, the Consolidated Net Income of the Issuer and the Restricted Subsidiaries for such period, plus (i) the sum of (in each case without duplication and to the extent the respective amounts described in subclauses (1) through (12) of this clause (i) otherwise reduced such Consolidated Net Income for the respective period for which EBITDA is being determined):

(1) Consolidated Taxes;

(2) Consolidated Interest Expense;

(3) all cash dividend payments (excluding items eliminated in consolidation) on any series of Preferred Stock or Disqualified Stock of the Issuer and its Restricted Subsidiaries;

(4) Consolidated Depreciation and Amortization Expense;

(5) Consolidated Non-cash Charges;

(6) any costs, fees, expenses or charges (other than Consolidated Depreciation and Amortization Expense) related to any issuance of Equity Interests, Investment, acquisition, New Project, entrance into or amendment, waiver, termination or modification of a Master Lease or a Gaming Lease, disposition, recapitalization or the Incurrence, modification or repayment of Indebtedness permitted to be Incurred by the Indenture (including a refinancing thereof) (whether or not successful), including (i) such fees, expenses or charges related to the Transactions and this offering of the Notes, (ii) such fees, expenses or charges related to any amendment or other modification of the Notes or other Indebtedness, (iii) any "additional interest," "default interest" or similar penalties with respect to any Indebtedness permitted under the Indenture and (iv) commissions, discounts, yield and other fees and charges (including any interest expense) related to any Qualified Receivables Financing;

(7) business optimization expenses and other restructuring charges, reserves, expenses or accruals (which, for the avoidance of doubt, shall include, without limitation, the effect of inventory optimization programs, operating improvements, cost savings initiatives, business optimization, facility closure, facility consolidations, facility reconstruction, decommissioning, recommissioning, conversion or reconfiguration, retention, severance, recruiting, integration, insourcing, outsourcing and systems establishment or implementation costs, legal settlement costs, contract termination costs, future lease commitments and excess pension charges, any costs and expenses relating to any entry into new markets and contracts (including, without limitation, any renewals, extensions or other modifications thereof), or new product developments or introductions or exiting a market, contract or product and any software or other intellectual property development costs and expenses, any costs and expenses associated with new systems design, any implementation cost or expense, any project startup cost or expense, any transition cost or expense or cost or expense associated with improvements to IT or accounting functions) and, in each case, expected to be achieved, completed or realized within 24 months, in the good faith determination of the Issuer;

(8) the amount of management, consulting, monitoring, transaction and advisory fees and related expenses paid (or any accruals relating to such fees and related expenses) during such period to the extent otherwise permitted by the covenant described under "—*Certain Covenants—Transactions with Affiliates*";

(9) the amount of loss on sale of receivables and related assets to a Receivables Subsidiary in connection with a Qualified Receivables Financing;

(10) any costs or expenses Incurred pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement, to the extent that such costs or expenses are funded with cash proceeds contributed to the capital of the Issuer or a Subsidiary Guarantor or net cash proceeds of an issuance of Equity Interests of the Issuer solely to the extent that such net cash proceeds are excluded from the calculation of the Cumulative Credit;

(11) any deductions (less any additions) attributable to minority interests except, in each case, to the extent of cash paid or received;

(12) Pre-Opening Expenses;

(13) any adjustments of the type used in connection with the calculation of "Adjusted EBITDA" as set forth or incorporated in this Offering Memorandum; and

(14) at the Issuer's option, any adjustments of the type described in the definitions of Consolidated Leverage Ratio, Senior Secured Indebtedness Leverage Ratio, Total Secured Indebtedness Leverage Ratio or Fixed Charge Coverage Ratio;

minus (ii) the sum of (without duplication and to the extent the amounts described in this clause (ii) increased such Consolidated Net Income for the respective period for which EBITDA is being determined) non-cash items increasing Consolidated Net Income of the Issuer and the Restricted Subsidiaries for such period (but excluding any such items (A) in respect of which cash was received in a prior period or will be received in a future period or (B) which represent the reversal of any accrual of, or cash reserve for, anticipated cash charges that reduced EBITDA in any prior period).

"*Equity Interests*" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"*Equity Offering*" means any public or private sale after the Issue Date of common stock or Preferred Stock of the Issuer (other than Disqualified Stock), other than:

(1) public offerings with respect to the Issuer's common stock registered on Form S-4 or Form S-8;

(2) issuances to a Subsidiary of the Issuer; and

(3) any such public or private sale that constitutes an Excluded Contribution.

"*Escrowed Indebtedness*" means Indebtedness issued in escrow pursuant to customary escrow arrangements pending the release thereof.

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

"*Excluded Accounts*" means (a) payroll, healthcare and other employee wage and benefit accounts, (b) tax accounts, including, without limitation, sales tax and gaming tax (or similar assessments) accounts, (c) escrow, defeasance and redemption accounts, (d) fiduciary or trust accounts, (e) jackpot or prize accounts and accounts holding client or customer funds on behalf of such client or customer, (f) disbursement and zero balance accounts and (g) the funds or other property held in or maintained for such purposes in any such account described in clauses (a) through (f).

"*Excluded Assets*" has the meaning set forth in "*—Security—Certain Limitations on the Collateral*."

"*Excluded Contributions*" means the Cash Equivalents or other assets (valued at their Fair Market Value as determined in good faith by senior management or the Board of Directors) received by the Issuer after July 6, 2020 from:

(1) contributions to its common equity capital; and

(2) the sale (other than to a Subsidiary of the Issuer or to any Subsidiary management equity plan or stock option plan or any other management or employee benefit plan or agreement) of Capital Stock (other than Disqualified Stock and Designated Preferred Stock) of the Issuer;

in each case designated as Excluded Contributions pursuant to an Officer's Certificate executed by an Officer of the Issuer at the time of their receipt.

"*Excluded Securities*" means any of the following: (a) any Capital Stock or Indebtedness with respect to which the Collateral Agent (acting at the direction of the Applicable Authorized Representative) and the Issuer reasonably agree that the costs or other consequences of pledging such Capital Stock or Indebtedness in favor of the First Lien Secured Parties under the Security Documents are likely to be excessive in relation to the value to be afforded thereby; (b) in the case of any pledge of voting Capital Stock in any Foreign Subsidiary or FSHCO (in each case, that is owned directly by the Issuer or a Subsidiary Guarantor) to secure the First Priority Lien Obligations, any voting Equity Interest of such Foreign Subsidiary or FSHCO in excess of 65% of the outstanding voting Equity Interests of such class; (c) any Capital Stock or Indebtedness to the extent and for so long as the pledge thereof would be prohibited by any requirement of law (including any Gaming Laws) or could require governmental or other regulatory (including Gaming Authority) or third party consent, approval, license or authorization to be pledged (unless such consent, approval, license or authorization has been received and the Issuer shall be under no obligation

to seek such consent (other than commercially reasonable efforts to obtain such consent in respect of Gaming Laws)), including, without limitation, any Capital Stock in any Interim Purchaser or Interim Trust; (d) any Capital Stock in any Person that is not a Wholly Owned Subsidiary to the extent (A) that a pledge thereof to secure the First Priority Lien Obligations is prohibited by (i) any applicable organizational documents, joint venture agreement or shareholder agreement or (ii) any other contractual obligation with an unaffiliated third party not in violation of certain provisions of the CEI Credit Agreement (other than, in this subclause (A)(ii), non-assignment provisions which are ineffective under Article 9 of the Uniform Commercial Code or other applicable requirements of law), (B) any organizational documents, joint venture agreement or shareholder agreement (or other contractual obligation referred to in subclause (A)(ii) above) prohibits such a pledge without the consent of any other party; *provided* that this clause (B) shall not apply if (i) such other party is the Issuer, a Subsidiary Guarantor or a Wholly Owned Subsidiary or (ii) consent has been obtained to consummate such pledge (it being understood that the foregoing shall not be deemed to obligate the Issuer or any Subsidiary Guarantor to obtain any such consent) and for so long as such organizational documents, joint venture agreement or shareholder agreement or replacement or renewal thereof is in effect or (C) a pledge thereof to secure the First Priority Lien Obligations would give any other party (other than the Issuer, a Subsidiary Guarantor or a Wholly Owned Subsidiary) to any organizational documents, joint venture agreement or shareholder agreement governing such Capital Stock (or other contractual obligation referred to in subclause (A)(ii) above) the right to terminate its obligations thereunder (other than, in the case of other contractual obligations referred to in subclause (A)(ii), non-assignment provisions which are ineffective under Article 9 of the Uniform Commercial Code or other applicable requirements of law); (e) any Capital Stock in any Immaterial Subsidiary (as defined in the CEI Credit Agreement), any Unrestricted Subsidiary, any special purpose Subsidiary and any Qualified Non-Recourse Subsidiary; (f) any Capital Stock directly or indirectly owned by a Foreign Subsidiary that is not the Issuer or a Subsidiary Guarantor; (g) any Capital Stock in any Subsidiary to the extent that the pledge of such Capital Stock could reasonably be expected to result in material adverse tax consequences to the Issuer or any Restricted Subsidiary as reasonably determined in good faith by the Issuer; (h) any Margin Stock (as defined in Regulation U); (i) unless otherwise elected by the Issuer in its sole discretion, any Capital Stock in CRC, CEOC and each of their respective Subsidiaries (whether existing on the Issue Date or formed or acquired thereafter); *provided* that the exclusion set forth in this clause (i) shall cease to apply if at any time neither the CRC Credit Agreement nor the CRC Secured Indenture shall be in effect; and (j) any Capital Stock in any Person formed for the purpose of holding real or personal property for the purpose of consummating a Sale/Leaseback Transaction (and no material assets) permitted by certain provisions of the CEI Credit Agreement that is consummated by way of a transfer of such Capital Stock within thirty (30) days of the date of formation of such Person.

"*Expansion Capital Expenditures*" means any Capital Expenditure by the Issuer or any of its Restricted Subsidiaries in respect of the purchase, development, construction or other acquisition of any fixed or capital assets (including Capitalized Software Expenditures) or the refurbishment of existing assets or properties that, in the Issuer's reasonable determination, adds to or significantly improves (or is reasonably expected to add to or significantly improve) the property of the Issuer and its Restricted Subsidiaries, excluding any such Capital Expenditures financed with Net Proceeds of an Asset Sale or casualty event and excluding Capital Expenditures made in the ordinary course made to maintain, repair, restore or refurbish the property of the Issuer and its Subsidiaries in its then existing state or to support the continuation of such Person's day to day operations as then conducted.

"*Fair Market Value*" means, with respect to any asset or property, the price which, as of the date on which the agreement relating thereto is entered into, could be negotiated in an arm's-length transaction, for cash, between a willing seller and a willing and able buyer, neither of whom is under undue pressure or compulsion to complete the transaction.

"*First Lien Intercreditor Agreement*" means (i) the First Lien Intercreditor Agreement, dated as of July 20, 2020, among U.S. Bank National Association, as the Collateral Agent, JPMorgan Chase Bank, N.A., as authorized representative with respect to the CEI Credit Facilities, U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as authorized representative with respect to the 2025 Secured Notes, U.S. Bank Trust Company, National Association, as authorized representative with respect to the 2030 Secured Notes, the Issuer and the other parties from time to time party thereto, as it may be amended, restated, supplemented or otherwise modified from time to time, (ii) another intercreditor agreement not materially less favorable to the holders of the Notes than the intercreditor agreement referred to in clause (i) (as determined by the Issuer in good faith) or (iii) another intercreditor agreement the terms of which are consistent with market terms

governing security arrangements for the sharing of liens on a pari passu basis at the time such intercreditor agreement is proposed to be established, as determined by the Issuer in the exercise of reasonable judgment.

"*First Lien Secured Parties*" means the Persons holding any First Priority Lien Obligations, including the Collateral Agent and Authorized Representatives.

"*First Priority Lien Obligations*" means (i) all Secured Bank Indebtedness under the CEI Credit Agreement, (ii) Notes Obligations, (iii) Other First Priority Lien Obligations (including on the Issue Date, the 2025 Secured Notes and the 2030 Secured Notes) and (iv) all other Obligations of the Issuer or any Restricted Subsidiary in respect of Hedging Obligations or Obligations in respect of cash management services in each case owing to a Person that is a holder of Secured Bank Indebtedness under the CEI Credit Agreement or an Affiliate of such holder at the time of entry into such Hedging Obligations or Obligations in respect of cash management services; *provided* that such Hedging Obligations or Obligations shall be secured pursuant to the security documents which secure such Secured Bank Indebtedness under the CEI Credit Agreement and are bound by the terms of the First Lien Intercreditor Agreement.

"*Fitch*" means Fitch Ratings, Inc. or any successor to the rating agency business thereof.

"*Fixed Charge Coverage Ratio*" means, with respect to the Issuer for any period, the ratio of EBITDA of the Issuer for such period to the Fixed Charges (net of cash interest income (other than notes receivable and similar items)) (other than (A) Fixed Charges in respect of Qualified Non-Recourse Debt, Discharged Indebtedness and Escrowed Indebtedness and (B) Fixed Charges in respect of Indebtedness which constitutes Development Expenses or the proceeds of which were applied to fund Development Expenses (but only for so long as such Indebtedness or such funded expenses, as the case may be, constitute Development Expenses) and (C) Fixed Charges consisting of cash costs associated with breakage or termination in respect of Hedging Obligations for interest rates and costs and fees associated with obtaining Hedging Obligations and fees payable thereunder) of the Issuer for such period. In the event that the Issuer or any Restricted Subsidiary Incurs, repays, defeases, discharges, repurchases or redeems any Indebtedness (other than in the case of revolving credit borrowings or revolving advances under any Qualified Receivables Financing, in which case interest expense shall be computed based upon the average daily balance of such Indebtedness during the applicable period) or issues, repurchases or redeems Disqualified Stock or Preferred Stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated but on or prior to the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "*Calculation Date*"), then the Fixed Charge Coverage Ratio shall be calculated giving pro forma effect to such Incurrence, repayment, defeasance, discharge, repurchase or redemption of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock or Preferred Stock, as if the same had occurred at the beginning of the applicable four-quarter period.

For purposes of making the computation referred to above, Investments, acquisitions, dividends and distributions, dispositions, mergers, amalgamations, consolidations and discontinued operations (as determined in accordance with GAAP), in each case with respect to an operating unit of a business, any execution of a Gaming Lease, any amendment, modification, termination or waiver to any provision of any Master Lease or Gaming Lease, any capital expenditure, construction, repair, replacement, improvement, development, Expansion Capital Expenditure or Development Project and any restructurings, operating improvements, or cost savings initiatives or similar initiatives of the business that the Issuer or any Restricted Subsidiary has determined to make and/or made during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Calculation Date shall be calculated on a pro forma basis assuming that all such Investments, acquisitions, dividends and distributions, dispositions, mergers, amalgamations, consolidations, discontinued operations, execution of a Gaming Lease, amendment, modification, termination or waiver to any provision of any Master Lease or Gaming Lease, any capital expenditure, construction, repair, replacement, improvement, development, Expansion Capital Expenditure or Development Project and other restructurings, operating improvements, or cost savings initiatives or similar initiatives (which shall include cost savings resulting from head count reduction, closure of facilities and operational improvements and other cost savings) of the business (and the change of any associated fixed charge obligations and the change in EBITDA resulting therefrom) had occurred on the first day of the four-quarter reference period. If since the beginning of such period any Person that subsequently became a Restricted Subsidiary or was merged with or into the Issuer or any Restricted Subsidiary since the beginning of such period shall have made any Investment, acquisition, dividend or distribution, disposition, merger, consolidation, amalgamation, discontinued operation, execution of a Gaming Lease, any amendment, modification, termination or waiver to any

provision of any Master Lease or Gaming Lease, any capital expenditure, construction, repair, replacement, improvement, development, Expansion Capital Expenditure or Development Project or restructurings, operating improvements, or cost savings initiatives or similar initiatives of the business, in each case with respect to an operating unit of a business, that would have required adjustment pursuant to this definition, then the Fixed Charge Coverage Ratio shall be calculated giving pro forma effect thereto for such period as if such Investment, acquisition, dividend or distribution, disposition, discontinued operation, merger, amalgamation, consolidation, execution of a Gaming Lease, any amendment, modification, termination or waiver to any provision of any Master Lease or Gaming Lease, any capital expenditure, construction, repair, replacement, improvement, development, Expansion Capital Expenditure or Development Project or restructurings, operating improvements, or cost savings initiatives or similar initiatives (which shall include cost savings resulting from head count reduction, closure of facilities and operational improvements and other cost savings) of the business had occurred at the beginning of the applicable four-quarter period. For purposes of making the computation referred to above, with respect to each New Project that commences operations and records not less than one full fiscal quarter's operations during the four-quarter reference period, the operating results of such New Project will be annualized on a straight-line basis during such period. If since the beginning of such period any Restricted Subsidiary is designated an Unrestricted Subsidiary or any Unrestricted Subsidiary is designated a Restricted Subsidiary, then the Fixed Charge Coverage Ratio shall be calculated giving pro forma effect thereto for such period as if such designation had occurred at the beginning of the applicable four-quarter period.

For purposes of this definition, whenever pro forma effect is to be given to any event, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Issuer. Any pro forma calculation of this definition may also include (i) adjustments appropriate, in the reasonable good faith determination of the Issuer, to reflect operating expense reductions and other operating improvements, synergies or cost savings reasonably expected to result from the applicable event and any other relevant event that occurred prior to or during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Calculation Date (including, to the extent applicable, from the Transactions) and (ii) any adjustments of the type used in connection with the calculation of "Adjusted EBITDA" as set forth or incorporated in this Offering Memorandum.

If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligations applicable to such Indebtedness if such Hedging Obligation has a remaining term in excess of 12 months). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Issuer to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For purposes of making the computation referred to above, interest on any Indebtedness under a revolving credit facility computed on a pro forma basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period. Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Issuer may designate.

For purposes of this definition, any amount in a currency other than U.S. dollars will be converted to U.S. dollars either based on (1) the average exchange rate for such currency for the most recent twelve month period immediately prior to the date of determination in a manner consistent with that used in calculating EBITDA for the applicable period or (2) the exchange ratio used in the applicable financial statements.

"*Fixed Charges*" means, with respect to the Issuer for any period, the sum, without duplication, of:

(1) Consolidated Cash Interest Expense of the Issuer for such period; and

(2) all cash dividend payments (excluding items eliminated in consolidation) on any series of Preferred Stock or Disqualified Stock of the Issuer and its Restricted Subsidiaries.

"*Fixed GAAP Date*" means the Issue Date; *provided* that at any time after the Issue Date, the Issuer may by written notice to the Notes Trustee elect to change the Fixed GAAP Date to be the date specified in such notice, and upon such notice, the Fixed GAAP Date shall be such date for all periods beginning on and after the date specified in such notice.

"*Fixed GAAP Terms*" means (a) the definitions of the terms "Capitalized Lease Obligation," "Consolidated Cash Interest Expense," "Consolidated Interest Expense," "Consolidated Net Income," "Senior Secured Indebtedness Leverage Ratio," "Total Secured Indebtedness Leverage Ratio," "Consolidated Leverage Ratio," "Consolidated Total Indebtedness," "Indebtedness," "EBITDA" and "Consolidated Depreciation and Amortization Expense," (b) all defined terms in the Indenture to the extent used in or relating to any of the foregoing definitions, and all ratios and computations based on any of the foregoing definitions and (c) any other term or provision of the Indenture or the Notes that, at the Issuer's election, may be specified by the Issuer by written notice to the Notes Trustee from time to time; *provided* that the Issuer may elect to remove any term from constituting a Fixed GAAP Term.

"*Foreign Subsidiary*" means a Restricted Subsidiary not organized or existing under the laws of the United States of America or any state thereof or the District of Columbia.

"*FSHCO*" means any Subsidiary that owns no material assets other than (i) the Equity Interest (including for this purpose any debt or other instrument treated as equity for U.S. federal income tax purposes) in one or more Foreign Subsidiaries that are CFCs and/or of one or more FSHCOs and (ii) cash, cash equivalents and incidental assets related thereto held on a temporary basis.

"*GAAP*" means generally accepted accounting principles in the United States set forth in the statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect on the Fixed GAAP Date; *provided* that the Issuer may at any time irrevocably elect by written notice to the Notes Trustee to use IFRS in lieu of GAAP for financial reporting purposes and, upon any such notice, references herein to GAAP shall thereafter be construed to mean (a) for periods beginning on and after the date specified in such notice, IFRS as in effect on the date specified in such notice (for purposes of the Fixed GAAP Terms) and as in effect from time to time (for all other purposes of the Indenture) and (b) for prior periods, GAAP as defined in the first sentence of this definition. For the purposes of the Indenture, the term "consolidated" with respect to any Person shall mean such Person consolidated with its Restricted Subsidiaries and shall not include any Unrestricted Subsidiary, but the interest of such Person in an Unrestricted Subsidiary will be accounted for as an Investment. Notwithstanding the foregoing or anything else in the Indenture, for all purposes under the Indenture, (a) the Designated Operating Leases, Master Leases and Gaming Leases (and any Guarantee of the foregoing) shall not constitute Indebtedness, Liens or a Capitalized Lease Obligation regardless of how such Designated Operating Leases, Master Leases and Gaming Leases may be treated under GAAP, (b) any interest portion of payments in connection with such Designated Operating Leases, Master Leases and Gaming Leases shall not constitute Consolidated Interest Expense or Consolidated Cash Interest Expense (or terms of similar effect) and (c) EBITDA or Consolidated Net Income (and terms of similar effect) shall be calculated by deducting, without duplication of amounts otherwise deducted, rent, insurance, property taxes and other amounts and expenses actually paid in cash under the Designated Operating Leases, Master Leases and Gaming Leases in the Applicable Measurement Period and no deductions in calculating EBITDA or Consolidated Net Income (and terms of similar effect) shall occur as a result of imputed interest, amounts under the Designated Operating Leases, Master Leases and Gaming Leases not paid in cash during the Applicable Measurement Period or other non-cash amounts Incurred in respect of the Designated Operating Leases, Master Leases and Gaming Leases; *provided* that any "true-up" of rent paid in cash pursuant to the Designated Operating Leases, Master Leases and Gaming Leases shall be accounted for in the fiscal quarter to which such payment relates as if such payment were originally made in such fiscal quarter.

"*Gaming Authorities*" means, in any jurisdiction in which the Issuer or any of its Subsidiaries manages or conducts any casino, gaming business or activities, the applicable gaming board, commission, or other governmental gaming regulatory body or agency which (a) has, or may at any time after issuance of the Notes have, jurisdiction over any casino, racing, gambling, wagering or other gaming business or activities at any casino, racetrack or other gambling, wagering or other gaming property or activities of the Issuer or any of its Subsidiaries, or any successor to such authority or (b) is, or may at any time after the issuance of the Notes be, responsible for interpreting, administering and enforcing the Gaming Laws.

"*Gaming Laws*" means all applicable constitutions, treaties, laws, rules, agreements, regulations and orders and statutes pursuant to which any Gaming Authority possesses regulatory, licensing or permit authority over gaming, gambling or casino activities and all rules, rulings, orders, ordinances, regulations of any Gaming Authority applicable to the gambling, casino or gaming businesses or activities of the Issuer or any of its Subsidiaries in any

jurisdiction, as in effect from time to time, including the policies, interpretations and administration thereof by the Gaming Authorities.

"*Gaming Lease*" means any lease entered into for the purpose of the Issuer or any of its Subsidiaries to acquire the right to occupy and use (including pursuant to any sale and leaseback transaction) real property, vessels or similar assets for, or in connection with, the construction, development or operation of casinos, casino resorts, "racinos," racetracks, non-gaming resorts, hotels, distributed gaming applications, entertainment developments, restaurants, retail developments or taverns or other gaming or entertainment facilities or other facilities related to activities ancillary to or supportive of the business of the Issuer and its Subsidiaries. For the avoidance of doubt, the Convention Center Lease shall be deemed to be a Gaming Lease.

"*Guarantee*" means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including, without limitation, letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness or other obligations.

"*Guarantor*" means any Person that guarantees the Notes; *provided* that upon the release or discharge of such Person from its obligation to guarantee the Notes in accordance with the Indenture, such Person ceases to be a Guarantor.

"*Hedging Obligations*" means, with respect to any Person, the obligations of such Person under:

(1) currency exchange, interest rate or commodity swap agreements, currency exchange, interest rate or commodity cap agreements and currency exchange, interest rate or commodity collar agreements; and

(2) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange, interest rates or commodity prices.

"*holder*" or "*noteholder*" means the Person in whose name a Note is registered on the Registrar's books.

"*IFRS*" means the International Financial Reporting Standards as issued by the International Accounting Standards Board.

"*Impairment*" means (i) any determination by a court of competent jurisdiction that (x) any of the First Priority Lien Obligations of such Series are unenforceable under applicable law or are subordinated to any other obligations (other than another Series of First Priority Lien Obligations), (y) any of the First Priority Lien Obligations of such Series do not have an enforceable security interest in any of the Collateral securing any other Series of First Priority Lien Obligations and/or (z) any intervening security interest exists securing any other obligations (other than another Series of First Priority Lien Obligations, and after giving effect to any applicable intercreditor agreements (other than the First Lien Intercreditor Agreement)) on a basis ranking prior to the security interest of such Series of First Priority Lien Obligations but junior to the security interest of any other Series of First Priority Lien Obligations or (ii) the existence of any Collateral for any other Series of First Priority Lien Obligations that is not Shared Collateral.

"*Incur*" means issue, assume, guarantee, incur or otherwise become liable for; *provided*, *however*, that any Indebtedness or Capital Stock of a Person existing at the time such person becomes a Subsidiary (whether by merger, amalgamation, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Person at the time it becomes a Subsidiary.

"*Indebtedness*" means, with respect to any Person:

(1) the principal and premium (if any) of any indebtedness of such Person, whether or not contingent, (a) in respect of borrowed money, (b) evidenced by bonds, notes, debentures or similar instruments or letters of credit or bankers' acceptances (or, without duplication, reimbursement agreements in respect thereof), (c) representing the deferred and unpaid purchase price of any property (except any such balance that constitutes (i) trade payable or similar obligation to a trade creditor Incurred in the ordinary course of business, (ii) any earn-out Obligations until such Obligation becomes a liability on the balance sheet of such Person in accordance with GAAP and (iii) liabilities accrued in the ordinary course of business), which purchase price is due more than six months after the date of

placing the property in service or taking delivery and title thereto, (d) in respect of Capitalized Lease Obligations or (e) representing any net payments that such Person would have to make in the event of an early termination, on the date Indebtedness of such Person is being determined, in respect of outstanding Hedging Obligations, if and to the extent that any of the foregoing indebtedness (other than letters of credit and Hedging Obligations) would appear as a liability on a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with GAAP;

(2) to the extent not otherwise included, any Obligation of such Person to be liable for, or to pay, as obligor, guarantor or otherwise, the Obligations referred to in clause (1) of another Person (other than by endorsement of negotiable instruments for collection in the ordinary course of business); and

(3) to the extent not otherwise included, Indebtedness of another Person secured by a Lien on any asset owned by such Person (whether or not such Indebtedness is assumed by such Person); *provided*, *however*, that the amount of such Indebtedness will be the lesser of: (a) the Fair Market Value (as determined in good faith by the Issuer) of such asset at such date of determination and (b) the amount of such Indebtedness of such other Person;

provided, *however*, that notwithstanding the foregoing, Indebtedness shall be deemed not to include (1) Contingent Obligations Incurred in the ordinary course of business and not in respect of borrowed money; (2) trade and other ordinary course payables, accrued expenses and intercompany liabilities arising in the ordinary course of business; (3) deferred or prepaid revenues; (4) purchase price holdbacks in respect of a portion of the purchase price of an asset to satisfy warranty or other unperformed obligations of the respective seller; (5) earn-out obligations until such obligations become a liability on the balance sheet of such Person in accordance with GAAP, (6) Indebtedness of an Unrestricted Subsidiary secured by a Lien on the Equity Interests of an Unrestricted Subsidiary; (7) Obligations (including guarantees) under or in respect of Qualified Receivables Financing, Designated Operating Leases, Master Leases or Gaming Leases; or (8) Permitted Non-Recourse Guarantees and completion guarantees.

Notwithstanding anything in the Indenture to the contrary, Indebtedness shall not include, and shall be calculated without giving effect to, the effects of Statement of Financial Accounting Standards No. 133 and related interpretations to the extent such effects would otherwise increase or decrease an amount of Indebtedness for any purpose under the Indenture as a result of accounting for any embedded derivatives created by the terms of such Indebtedness; and any such amounts that would have constituted Indebtedness under the Indenture but for the application of this sentence shall not be deemed an Incurrence of Indebtedness under the Indenture.

"*Indenture*" means the indenture governing the Notes, as it may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"*Independent Financial Advisor*" means an accounting, appraisal or investment banking firm or consultant, in each case of nationally recognized standing, that is, in the good faith determination of the Issuer, qualified to perform the task for which it has been engaged.

"*Interactive Entertainment Investment*" means (a) the designation as an Unrestricted Subsidiary of (i) a Subsidiary all or a substantial portion of whose assets consist of (x) online gaming, mobile gaming, sports betting and/or other interactive businesses (collectively, "*Interactive Gaming*") and/or (y) sports and media sponsorships, partnerships, collaboration agreements, marketing agreements or similar arrangements and (ii) any Subsidiary of the Issuer all or substantially all of the assets of which are Equity Interests of any Subsidiary described in clause (a)(i) or this clause (a)(ii) and/or (b) the contribution or other transfer of assets consisting of (i) online gaming, mobile gaming, sports betting and/or other interactive businesses and/or (ii) sports and media sponsorships, partnerships, collaboration agreements, marketing agreements or similar arrangements to an Interactive Entertainment Unrestricted Subsidiary.

"*Interactive Entertainment Subsidiary Sale Proceeds*" means the aggregate cash proceeds received by the Issuer or any Interactive Entertainment Unrestricted Subsidiary from any Interactive Entertainment Unrestricted Subsidiary Sale (including, without limitation, any cash received in respect of or upon the sale or other disposition of any non-cash consideration received in any Interactive Entertainment Unrestricted Subsidiary Sale and any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise, but only as and when received, but excluding the assumption by the acquiring Person of Indebtedness relating to the disposed assets or other consideration received in any other non-cash form).

"*Interactive Entertainment Unrestricted Subsidiary*" means (a) any Subsidiary of the Issuer all or substantial portion of whose assets consist of (i) online gaming, mobile gaming, sports betting and/or other interactive businesses and/or (ii) sports and media sponsorships, partnerships, collaboration agreements, marketing agreements or similar arrangements, which Subsidiary has been the subject of an Interactive Entertainment Investment and (b) any Subsidiary of the Issuer all or substantially all of the assets of which are Equity Interests of any Subsidiary described in clause (a) or this clause (b) that has been the subject of an Interactive Entertainment Investment.

"*Interactive Entertainment Unrestricted Subsidiary Sale*" means the sale, conveyance, transfer or other disposition (whether in a single transaction or a series of related transactions) (for the avoidance of doubt, other than any such sale, conveyance, transfer or other disposition of a type that would not be an "Asset Sale" if conducted by a Restricted Subsidiary) of (a) any of the property or assets of any Interactive Entertainment Unrestricted Subsidiary or (b) any of the Equity Interests in the Interactive Entertainment Unrestricted Subsidiary.

"*Interim Authorization Trust Arrangement*" means any trust arrangement, which is created pursuant to a trust agreement as permitted under applicable Gaming Laws and approved by the applicable Gaming Authority, which permits the Issuer or any Restricted Subsidiary, as the purchaser (in such capacity, the "*Interim Purchaser*"), to acquire an ownership interest in an existing casino, casino hotel or other gaming operation without first being licensed or found qualified by such applicable Gaming Authorities having jurisdiction over such Interim Purchaser, so long as (x) upon the closing of the contemplated acquisition, all Equity Interests and other property acquired pursuant to such an acquisition, and required by the applicable Gaming Authority, is placed in trust (such trust, an "*Interim Trust*") to be held until the required gaming licenses are issued or denied by the applicable Gaming Authorities (as further described in clause (y) below) and (y) promptly following (i) the issuance of such gaming licenses by the applicable Gaming Authorities having jurisdiction over such Interim Purchaser, such Interim Trust will, in accordance with the applicable Gaming Laws and the terms of the Interim Trust, distribute or otherwise transfer such Equity Interests and all other property held by such Interim Trust to the Interim Purchaser or (ii) the decision by the applicable Gaming Authority relating to any pending gaming license which would cause the Interim Trust to become operative under the applicable Gaming Laws (and as a result, such Interim Trust shall be required under the applicable Gaming Laws to exercise all rights incident to ownership of the property subject to the Interim Trust), such Interim Trust shall take all steps necessary to sell the Equity Interests and the other property held by such Interim Trust in accordance with the Indenture, the underlying trust agreement and the applicable Gaming Laws (an "*Interim Trust Asset Disposition*").

"*Interim Purchaser*" shall have the meaning assigned to such term in the definition of "Interim Authorization Trust Arrangement."

"*Interim Trust*" shall have the meaning assigned to such term in the definition of "Interim Authorization Trust Arrangement."

"*Interim Trust Asset Disposition*" shall have the meaning assigned to such term in the definition of "Interim Authorization Trust Arrangement."

"*Investment Grade Rating*" means a rating equal to or higher than Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by Fitch or S&P, or an equivalent rating by any other Rating Agency.

"*Investment Grade Securities*" means:

(1) securities issued or directly and fully guaranteed or insured by the U.S. government or any agency or instrumentality thereof (other than Cash Equivalents);

(2) securities that have a rating equal to or higher than Baa3 (or equivalent) by Moody's and BBB- (or equivalent) by S&P, but excluding any debt securities or loans or advances between and among the Issuer and its Subsidiaries;

(3) investments in any fund that invests exclusively in investments of the type described in clauses (1) and (2) which fund may also hold immaterial amounts of cash pending investment and/or distribution; and

(4) corresponding instruments in countries other than the United States customarily utilized for high quality investments and in each case with maturities not exceeding two years from the date of acquisition.

"*Investments*" means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of loans (including guarantees), advances or capital contributions (excluding accounts receivable, trade credit and advances to customers and commission, travel and similar advances to officers, employees and consultants made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities issued by any other Person and investments that are required by GAAP to be classified on the balance sheet of the Issuer in the same manner as the other investments included in this definition to the extent such transactions involve the transfer of cash or other property. For purposes of the definition of "Unrestricted Subsidiary" and the covenant described under "*—Certain Covenants—Limitation on Restricted Payments*":

(1) "Investments" shall include the portion (proportionate to the Issuer's Equity Interest in such Subsidiary) of the Fair Market Value (as determined in good faith by the Issuer) of the net assets of a Subsidiary of the Issuer at the time that such Subsidiary is designated an Unrestricted Subsidiary; *provided*, *however*, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Issuer shall be deemed to continue to have a permanent "Investment" in an Unrestricted Subsidiary equal to an amount (if positive) equal to:

(a) the Issuer's "Investment" in such Subsidiary at the time of such redesignation less

(b) the portion (proportionate to the Issuer's Equity Interest in such Subsidiary) of the Fair Market Value (as determined in good faith by the Issuer) of the net assets of such Subsidiary at the time of such redesignation; and

(2) any property transferred to or from an Unrestricted Subsidiary shall be valued at its Fair Market Value (as determined in good faith by the Issuer) at the time of such transfer, in each case as determined in good faith by the Board of Directors.

"*Issue Date*" means the date on which the Notes are originally issued.

"*Junior Lien Intercreditor Agreement*" means (i) the Junior Lien Intercreditor Agreement substantially in the form of an exhibit attached to the Indenture, as may be amended, restated, supplemented or otherwise modified from time to time if such Liens secure "Second Priority Claims" (as defined therein), (ii) an intercreditor agreement not materially less favorable to the holders of the Notes than the intercreditor agreement referred to in clause (i) (as determined by the Issuer in good faith) or (iii) another intercreditor agreement the terms of which are consistent with market terms governing security arrangements for liens on a junior basis at the time such intercreditor agreement is proposed to be established, as determined by the Issuer and the Notes Trustee in the exercise of reasonable judgment.

"*Junior Lien Obligations*" means Obligations with respect to other Indebtedness permitted to be Incurred under the Indenture, which is by its terms intended to be secured on a basis junior to the Liens securing the Notes and is subject to a Junior Lien Intercreditor Agreement; *provided* such Lien is permitted to be Incurred under the Indenture.

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or similar encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, or any lease in the nature thereof); *provided* that in no event shall an operating lease, a Designated Operating Lease, a Master Lease, a Gaming Lease or an agreement to sell be deemed to constitute a Lien.

"*Management Group*" means the group consisting of some or all of the directors, executive officers and other management personnel of the Issuer and its Subsidiaries, as the case may be, together with (1) any new directors whose election by such boards of directors or whose nomination for election by the shareholders of the Issuer was approved by a vote of a majority of the directors of the Issuer then still in office who were either directors on the Issue Date or whose election or nomination was previously so approved and (2) executive officers and other management personnel of the Issuer and its Subsidiaries, as the case may be, hired at a time when the directors on the Issue Date together with the directors so approved constituted a majority of the directors of the Issuer.

"*Master Lease*" shall mean each of (i) that certain Lease (CPLV) dated as of October 6, 2017, by and among CEOC, Desert Palace LLC, a Delaware limited liability company, and CPLV Property Owner LLC, a Delaware limited liability company, as amended by that certain First Amendment to Lease (CPLV) dated as of December 26, 2018, as further amended by that certain Omnibus Amendment to Leases, dated as of June 1, 2020, as further amended and renamed to the "Las Vegas Lease" by that certain Second Amendment to Lease (CPLV), dated as of July 20, 2020, as further amended by that certain Third Amendment to Lease, dated as of September 30, 2020, as further amended by that certain Amended and Restated Omnibus Amendment to Leases, dated as of October 27, 2020, as further amended by that certain Fourth Amendment to Lease, dated as of November 18, 2020, and as further amended by that certain Fifth Amendment to Lease, dated as of September 3, 2021, as further amended by that Sixth Amendment to Lease, dated as of November 1, 2021 (collectively, the "*Las Vegas Master Lease*"), (ii) that certain Lease (Non-CPLV), dated as of October 6, 2017, by and among CEOC, the entities listed on Schedule B attached thereto and the entities listed on Schedule A attached thereto, as amended by that certain First Amendment to Lease (Non-CPLV) dated as of December 22, 2017, as further amended by that certain Second Amendment to Lease (Non-CPLV) and Ratification of SNDA dated as of February 16, 2018, as further amended by that certain Third Amendment to Lease (Non-CPLV) dated as of April 2, 2018, as further amended by that certain Fourth Amendment to Lease (Non-CPLV) dated as of December 26, 2018, as further amended by that certain Omnibus Amendment to Leases, dated as of June 1, 2020, as further amended and renamed to the "Regional Lease" by that certain Fifth Amendment to Lease (Non-CPLV), dated as of July 20, 2020, as further amended by that certain Sixth Amendment to Lease, dated as of September 30, 2020, as further amended by that certain Amended and Restated Omnibus Amendment to Leases, dated as of October 27, 2020, as further amended by that certain Seventh Amendment to Lease, dated as of November 18, 2020, as further amended by that certain Eighth Amendment to Lease, dated as of September 3, 2021, as further amended by that certain Ninth Amendment to Lease, dated as of November 1, 2021, and as further amended by that certain Tenth Amendment to Lease, dated as of December 30, 2021, as further amended by that certain Eleventh Amendment to Lease, dated August 25, 2022 (collectively, the "*Regional Master Lease*"), (iii) that certain Lease (Joliet), dated as of October 6, 2017, by and between Harrah's Joliet LandCo LLC and Des Plaines Development Limited Partnership, as amended by that certain First Amendment to Lease (Joliet) dated December 26, 2018, as further amended by that certain Omnibus Amendment to Leases, dated as of June 1, 2020, as further amended by that certain Second Amendment to Lease (Joliet), dated as of July 20, 2020, as further amended by that certain Third Amendment to Lease, dated as of September 30, 2020, as further amended by that certain Amended and Restated Omnibus Amendment to Leases, dated as of October 27, 2020, as further amended by that certain Fourth Amendment to Lease, dated as of November 18, 2020, and as further amended by that certain Fifth Amendment to Lease, dated as of September 3, 2021, as further amended by that certain Sixth Amendment to Lease, dated as of November 1, 2021 (collectively, the "*Joliet Lease*"), (iv) that certain Third Amended and Restated Master Lease, dated as of November 13, 2023, by and among GLP Capital, L.P., Tropicana Entertainment Inc., IOC Black Hawk County, Inc. and Isle of Capri Bettendorf, L.C. (the "*Tropicana Master Lease*"), and (v) that certain Amended and Restated Lease, dated as of December 1, 2021, by and between GLP Capital, L.P. and Tropicana St. Louis LLC (the "*Lumiere Lease*"), in each case, as further amended, restated, supplemented or otherwise modified from time to time.

"*Master Lease Collateral*" shall mean, with respect to any Master Lease, Additional Master Lease or Gaming Lease, all "Tenant's Pledged Property" (as defined in such Master Lease, Additional Master Lease or Gaming Lease) or similar term.

"*Master Lease Landlords*" shall mean each landlord under each Master Lease and each landlord under each Additional Master Lease.

"*Master Lease Tenants*" shall mean each tenant under each Master Lease and each tenant under each Additional Master Lease.

"*MLSA*" means each of (i) the Management and Lease Support Agreement (CPLV), dated as of October 6, 2017, by and among CEOC, Desert Palace LLC, a Nevada limited liability company, CPLV Manager, LLC, a Delaware limited liability company, as manager, CEC, as guarantor, CES, Caesars License Company, LLC, a Nevada limited liability company, and CPLV Property Owner LLC, a Delaware limited liability company, (ii) the Management and Lease Support Agreement (Non-CPLV), dated as of October 6, 2017, by and among CEOC, the Subsidiaries of CEOC party thereto, Non-CPLV Manager, LLC, a Delaware limited liability company, as manager, CEC, as guarantor, CES, Caesars License Company, LLC, a Nevada limited liability company, and the Subsidiaries

of VICI Properties L.P. party thereto, (iii) the Management and Lease Support Agreement (Joliet), dated as of October 6, 2017, by and among Des Plaines Development Limited Partnership, a Delaware limited partnership, Joliet Manager, LLC, a Delaware limited liability company, as manager, CEC, as guarantor, CES, Caesars License Company, LLC, a Nevada limited liability company, and Harrah's Joliet LandCo LLC, a Delaware limited liability company, (iv) the Guaranty of Lease, dated as of July 20, 2020, by and among the Issuer, CPLV Property Owner LLC and Claudine Propco LLC with respect to the Las Vegas Master Lease, (v) the Guaranty of Lease, dated as of July 20, 2020, by and among the Issuer and the landlords party thereto with respect to the Regional Master Lease, (vi) the Guaranty of Lease, dated as of July 20, 2020, by and between the Issuer and Harrah's Joliet LandCo LLC with respect to the Joliet Lease, (vii) the Second Amended and Restated Guaranty of Master Lease, dated as of November 13, 2023, by and among the Issuer, the Subsidiaries of the Issuer party thereto and GLP Capital, L.P. with respect to the Tropicana Master Lease, (viii) the Amended and Restated Guaranty of Master Lease, dated as of December 1, 2021, by and between the Issuer and GLP Capital, L.P. with respect to the Lumiere Lease, and (ix) one or more additional management and lease support agreements and/or guarantees in a form not materially adverse to the holders from those referred to in clauses (i) through (viii) above, by and among the Issuer and/or its Restricted Subsidiaries party thereto, the manager party thereto (if any), the Issuer or any Subsidiary of the Issuer, as guarantor, and the landlord party thereto (if any), and in each case, any and all modifications thereto, substitutions therefor and replacements thereof so long as such modifications, substitutions and replacements are entered into not in violation of the Indenture.

"*Moody's*" means Moody's Investors Service, Inc. or any successor to the rating agency business thereof.

"*Mortgaged Properties*" means the Real Property (including Vessels) owned or leased by the Issuer or any Subsidiary Guarantor encumbered by a Mortgage to secure the Notes Obligations. For the avoidance of doubt, the Mortgaged Properties securing the Notes Obligations shall be the same as the Mortgaged Properties securing Secured Bank Indebtedness under the CEI Credit Agreement.

"*Mortgages*" means, collectively, the mortgages, trust deeds, deeds of trust, deeds to secure debt, assignments of leases and rents and other security documents delivered with respect to Mortgaged Properties, as amended, supplemented or otherwise modified from time to time.

"*Net Income*" means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of Preferred Stock dividends.

"*Net Insurance Proceeds*" means the casualty insurance proceeds (excluding, without limitation, liability insurance proceeds payable to the Notes Trustee for any loss, liability or expense Incurred by it and excluding the proceeds of business interruption insurance) or condemnation awards actually received by the Issuer or any Restricted Subsidiary as a result of the Destruction or Taking after the Issue Date of all or any portion of the Collateral.

"*Net Proceeds*" means (a) Net Insurance Proceeds, (b) Convention Center Unrestricted Subsidiary Sale Proceeds, (c) Interactive Entertainment Subsidiary Sale Proceeds and (d) the aggregate cash proceeds received by the Issuer or any Restricted Subsidiary in respect of any Asset Sale (including, without limitation, any cash received in respect of or upon the sale or other disposition of any Designated Non-cash Consideration received in any Asset Sale and any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise, but only as and when received, but excluding the assumption by the acquiring Person of Indebtedness relating to the disposed assets or other consideration received in any other non-cash form), in each case net of the direct costs relating to such Asset Sale or Destruction or Taking and the sale or disposition of such Designated Non-cash Consideration (including, without limitation, legal, accounting and investment banking fees and brokerage and sales commissions), and any relocation expenses Incurred as a result thereof, taxes paid or payable as a result thereof (after taking into account any available tax credits or deductions and any tax sharing arrangements related thereto), amounts required to be applied to the repayment of principal, premium (if any) and interest on Indebtedness required (other than pursuant to the second paragraph of the covenant described under "*—Certain Covenants—Asset Sales*") to be paid as a result of such transaction, and any deduction of appropriate amounts to be provided by the Issuer as a reserve in accordance with GAAP against any liabilities associated with the asset disposed of, condemned, damaged or destroyed in such transaction and retained by the Issuer after such sale or other disposition, condemnation, damage or destruction thereof, including, without limitation, pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification

obligations associated with such transaction and all distributions and other payments required to be made to minority interest holders (other than the Issuer or any of its Subsidiaries) in Subsidiaries or joint ventures as a result of such Asset Sale or Destruction or Taking; *provided* that, in the case of a casualty event or condemnation with respect to property that is subject to a Master Lease or any Gaming Lease entered into for the purpose of, or with respect to, operating or managing gaming facilities and related assets, such cash proceeds shall not constitute Net Proceeds to the extent, and for so long as, such cash proceeds are required, by the terms of such lease, (x) to be paid to the holder of any mortgage, deed of trust or other security agreement securing indebtedness of the lessor, (y) to be paid to, or for the account of, the lessor or deposited in an escrow account to fund rent and other amounts due with respect to such property and costs to preserve, stabilize, repair, replace or restore such property (in accordance with the provisions of the applicable lease) or (z) to be applied to rent and other amounts due under such lease or to fund costs and expenses of repair, replacement or restoration of such property, or the preservation or stabilization of such property (in accordance with the provisions of the applicable lease).

"*New Project*" means each capital project which is either a new project or a new feature of an existing project owned by the Issuer or a Restricted Subsidiary which receives a certificate of completion or occupancy and all relevant licenses, and in fact commences operations.

"*Non-Controlling Authorized Representative*" means, at any time with respect to any Shared Collateral, any Authorized Representative that is not the Applicable Authorized Representative at such time with respect to such Shared Collateral.

"*Non-Controlling Secured Parties*" means, with respect to any Shared Collateral, the First Lien Secured Parties which are not Controlling Secured Parties with respect to such Shared Collateral.

"*Non-Core Land*" means each of the following parcels of land, each of which is immaterial to the Issuer's gaming operations and as to which the Issuer has no intention to develop:

(1) the 244.69 acre parcel of land known as the "*Quarry Parcel*" in Hancock, West Virginia;

(2) the 162.79 acre parcel of land known as the "*Woodview Golf Course*" in Hancock, West Virginia;

(3) the 387.12 acre portion of the land known as the "*Original Mountaineer Parcel*" which is located to the east of State Route 2 site in Hancock, West Virginia;

(4) the 97.706 acre parcel of land known as the "*Coldwell Parcel*" in Hancock, West Virginia;

(5) the 37.85 acre parcel of land known as the "*Hazel Parcel*" in Hancock, West Virginia;

(6) the 1.755 acre parcel of land known as the "*Glover/Daily Double Parcel*" in Hancock, West Virginia;

(7) the 5.78 acre parcel of land known as the "*J&T Parcel*" in Hancock, West Virginia;

(8) the 109.01 acre parcel of land known as the "*LSW Sanitation Parcel*" in Hancock, West Virginia;

(9) the 0.92 acre parcel of land known as the "*Craig/Smith Parcel*" in Hancock, West Virginia;

(10) the 70.213 acre parcel of land known as the "*Watson Parcel*" site in Hancock, West Virginia;

(11) the 6.65 acre parcel of land known as the "*Phillips Parcel*" in Hancock, West Virginia;

(12) the approximately 0.955 acre parcel of land known as the "*Jefferson School Parcel*" in Hancock, West Virginia;

(13) the 234.99 acre parcel of land known as the "*Logan/Realm Parcel*" in Hancock, West Virginia;

(14) the 38.017 acre parcel of land known as the "*BOC Gas Parcel*" in Hancock, West Virginia;

(15) the 37.11 acre parcel of land known as the "*Mara Parcel*" in Franklin County, Ohio;

(16) 5.596 acres in Summit Township, Erie County, Pennsylvania;

(17) the 272 acre parcel in Summit Township, Erie County, Pennsylvania;

(18) the 213.35 acre parcel of land located in McKean Township, Pennsylvania;

(19) the following parcels of undeveloped land in the Cripple Creek, County of Teller, Colorado: 4005.134110080; 4005.134110090; 4005.134110220; 4005.134080230; 4005.134080240; and 4005.134090180;

(20) the following parcels of undeveloped land in Kimmswick, Jefferson County, Missouri: 19-7.0-25.0-001.02; 19-7.0-36.0-001.01; 20-9.0-31.0-004.02; and 20-9.0-31.0-005;

(21) the parcel of undeveloped land located at the address 1600 Lady Luck Parkway, Bettendorf, Iowa; and

(22) the parcel of undeveloped land located at the address 100 Miner Street, Central City, Colorado.

"*Note Guarantee*" means any guarantee of the obligations of the Issuer under the Indenture and the Notes by any Person in accordance with the provisions of the Indenture.

"*Notes*" means the Issuer's % senior secured notes due 2032, issued pursuant to the Indenture.

"*Notes Obligations*" means Obligations in respect of the Notes, the Note Guarantees, the Indenture and the Security Documents, including, for the avoidance of doubt, Obligations in respect of exchange notes and guarantees thereof (including all interest, fees, expenses and other amounts accruing during the pendency of any bankruptcy, insolvency, receivership or other similar case or proceeding, regardless of whether allowed or allowable in such case or proceeding).

"*Notes Trustee*" means the party named as such in the Indenture until a successor replaces it and, thereafter, means the successor.

"*Obligations*" means any principal, interest, penalties, fees, indemnifications, reimbursements (including, without limitation, reimbursement obligations with respect to letters of credit and bankers' acceptances), damages and other liabilities payable under the documentation governing any Indebtedness (including interest, fees, expenses and other amounts accruing during the pendency of any bankruptcy, insolvency, receivership or other similar case or proceeding, regardless of whether allowed or allowable in such case or proceeding).

"*Officer*" means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, the Treasurer, any Assistant Treasurer, the Controller, the Secretary, any Senior Vice President, any Vice President or any Assistant Vice President of such Person.

"*Officer's Certificate*" means a certificate signed on behalf of the Issuer by an Officer of the Issuer.

"*Operations Management Agreement*" means the CES Agreements, any shared services agreements, intellectual property license agreement, operations management agreement, management agreement, lease support or guaranty agreement and similar agreement entered into by and among the Issuer and any of its Subsidiaries and any and all modifications thereto, substitutions therefor and replacements thereof so long as such modifications, substitutions and replacements are entered into not in violation of the Indenture.

"*Opinion of Counsel*" means a written opinion from legal counsel who is acceptable to the Notes Trustee, who may (but need not) be in-house counsel of or external counsel to the Issuer.

"*Other First Priority Lien Obligations*" means the 2025 Secured Notes, the 2030 Secured Notes and any other Indebtedness or Obligations of the Issuer and its Restricted Subsidiaries that is equally and ratably secured with the Notes as permitted by the Indenture and is designated by the Issuer as an Other First Priority Lien Obligation; *provided* that an authorized representative of the holders of such Indebtedness or Obligations shall (if not already a party thereto) become a party to the First Lien Intercreditor Agreement under the Collateral Agreement.

"*Overdraft Line*" shall have the meaning assigned to such term pursuant to clause (dd) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*."

"*Paid-Up Oil and Gas Leases*" means those certain Paid-Up Oil and gas Leases entered into as of May 10, 2011 by and among Mountaineer Park, Inc. and Chesapeake Appalachian, L.L.C., as the same may be amended, supplemented, modified, extended, replaced, renewed or restated from time to time.

"*Pari Passu Indebtedness*" means:

(1) with respect to the Issuer, the Notes and any Indebtedness which ranks pari passu in right of payment to the Notes; and

(2) with respect to any Subsidiary Guarantor, its obligations in respect of the Notes and any Indebtedness which ranks pari passu in right of payment to such Subsidiary Guarantor's obligations in respect of the Notes.

"*Permitted Disposition*" shall mean any sale, lease, license, transfer or other disposition of assets listed in a schedule to the Indenture.

"*Permitted Holders*" means, each of (i) the Management Group, (ii) the Carano Holders, (iii) any Person that has no material assets other than the capital stock of the Issuer or other Permitted Holders and that, directly or indirectly, holds or acquires beneficial ownership of 100% on a fully diluted basis of the voting Equity Interests in the Issuer, and of which no other Person or "group" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Issue Date), other than any of the other Permitted Holders specified in clauses (i) through (iii), beneficially owns more than 50% on a fully diluted basis of the voting Equity Interests thereof and (iv) any "group" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Issue Date) the members of which include any of the other Permitted Holders specified in clauses (i) through (iii) above and that, directly or indirectly, hold or acquire beneficial ownership of the voting Equity Interests in the Issuer (a "*Permitted Holder Group*"), so long as (1) each member of the Permitted Holder Group has voting rights proportional to the percentage of ownership interests held or acquired by such member and (2) no Person or other "group" (other than the other Permitted Holders specified in clauses (i) through (iii) above) beneficially owns more than of 50% on a fully diluted basis of the voting Equity Interests held by the Permitted Holder Group.

"*Permitted Investments*" means:

(1) any Investment in the Issuer or any Restricted Subsidiary;

(2) any Investment in Cash Equivalents or Investment Grade Securities;

(3) any Investment by the Issuer or any Restricted Subsidiary in a Person if as a result of such Investment

(a) such Person becomes a Restricted Subsidiary or (b) such Person, in one transaction or a series of related transactions, is merged, consolidated or amalgamated with or into, or transfers or conveys all or substantially all of its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary (*provided* that any Investment under this clause (3) may be closed pursuant to an Interim Authorization Trust Arrangement);

(4) any Investment in securities or other assets not constituting Cash Equivalents and received in connection with an Asset Sale made pursuant to the provisions of "*—Certain Covenants—Asset Sales*" or any other disposition of assets not constituting an Asset Sale;

(5) any Investment existing on, or made pursuant to binding commitments existing on or contemplated on, the Issue Date or an Investment consisting of any extension, modification or renewal of any Investment existing on the Issue Date; *provided* that the aggregate amount of all Investments pursuant to this clause (5) is not increased at any time above the amount of such Investment existing or committed or contemplated on the Issue Date (other than pursuant to an increase as required by the terms of any such Investment as in existence on the Issue Date);

(6) loans and advances to officers, directors, employees or consultants, taken together with all other advances made pursuant to this clause (6), not to exceed $35 million at any one time outstanding;

(7) any Investment acquired by the Issuer or any Restricted Subsidiary (a) in exchange for any other Investment or accounts receivable held by the Issuer or any such Restricted Subsidiary in connection with or as a result of a bankruptcy, workout, reorganization or recapitalization of the issuer of such other Investment or accounts receivable or (b) as a result of a foreclosure by the Issuer or any Restricted Subsidiary with respect to any secured Investment or other transfer of title with respect to any secured Investment in default;

(8) Hedging Obligations permitted under clause (j) of the second paragraph of the covenant described under *"—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*";

(9) any Investment by the Issuer or any Restricted Subsidiary in a Similar Business having an aggregate Fair Market Value (as determined in good faith by the Issuer), taken together with all other Investments made pursuant to this clause (9) that are at that time outstanding, not to exceed the greater of (x) $415 million and (y) 17.5% of EBITDA for the Applicable Measurement Period at the time of such Investment (plus any returns (including dividends, interest, distributions, returns of principal, proceeds of sale, repayments, redemptions, income and similar amounts) actually received by the respective investor in respect of investments theretofore made by it pursuant to this clause (9)) (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value); *provided*, *however*, that if any Investment pursuant to this clause (9) is made in any Person that is not a Restricted Subsidiary at the date of the making of such Investment and such Person becomes a Restricted Subsidiary after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (1) above and shall cease to have been made pursuant to this clause (9) for so long as such Person continues to be a Restricted Subsidiary; *provided*, *further*, that the amount of Investments that may be made at any time pursuant to this clause (9) may, at the election of the Issuer, be increased by the amount of Investments that could be made at such time under clause (10) of this definition;

(10) additional Investments by the Issuer or any Restricted Subsidiary having an aggregate Fair Market Value (as determined in good faith by the Issuer), taken together with all other Investments made pursuant to this clause (10) that are at that time outstanding, not to exceed the greater of (x) $975 million and (y) 42.5% of EBITDA for the Applicable Measurement Period at the time of such Investment (plus any returns (including dividends, interest, distributions, returns of principal, proceeds of sale, repayments, redemptions, income and similar amounts) actually received by the respective investor in respect of investments theretofore made by it pursuant to this clause (10)) (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value); *provided*, *however*, that if any Investment pursuant to this clause (10) is made in any Person that is not a Restricted Subsidiary at the date of the making of such Investment and such Person becomes a Restricted Subsidiary after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (1) above and shall cease to have been made pursuant to this clause (10) for so long as such Person continues to be a Restricted Subsidiary; *provided*, *further*, that the amount of Investments that may be made at any time pursuant to this clause (10) may, at the election of the Issuer, be increased by the amount of Investments that could be made at such time under clause (9) of this definition;

(11) loans and advances to officers, directors or employees for payroll payments, business-related travel expenses, moving expenses and other similar expenses, in each case Incurred in the ordinary course of business or consistent with past practice or to fund such Person's purchase of Equity Interests of the Issuer;

(12) Investments the payment for which consists of (or received in exchange for) Equity Interests of the Issuer (other than Disqualified Stock) (or the proceeds of such Equity Interests); *provided*, *however*, that such Equity Interests will not increase the amount available for Restricted Payments under clause (3) of the definition of "Cumulative Credit" contained in "*—Certain Covenants—Limitation on Restricted Payments*";

(13) any transaction to the extent it constitutes an Investment that is permitted by and made in accordance with the provisions of the second paragraph of the covenant described under "*—Certain Covenants—Transactions with Affiliates*" (except transactions described in clauses (2), (3), (6), (7), (11), (12)(b) and (19) of such paragraph);

(14) Investments consisting of the licensing or contribution of intellectual property pursuant to joint marketing arrangements with other Persons;

(15) guarantees issued in accordance with the covenants described under "*—Certain Covenants—*

Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" and "*—Certain Covenants—Future Subsidiary Guarantors*," including, without limitation, any guarantee or other Obligation issued or Incurred under any Credit Agreement in connection with any letter of credit issued for the account of the Issuer or any of its Subsidiaries (including with respect to the issuance of, or payments in respect of drawings under, such letters of credit);

(16) Investments consisting of or to finance purchases and acquisitions of inventory, supplies, materials, services or equipment or purchases of contract rights or licenses or sublicenses (including in respect of gaming licenses) or leases of intellectual property;

(17) any Investment in a Receivables Subsidiary or any Investment by a Receivables Subsidiary in any other Person in connection with a Qualified Receivables Financing, including Investments of funds held in accounts permitted or required by the arrangements governing such Qualified Receivables Financing or any related Indebtedness;

(18) any Investment in an entity or purchase of a business or assets in each case owned (or previously owned) by a customer of a Restricted Subsidiary as a condition or in connection with such customer (or any member of such customer's group) contracting with a Restricted Subsidiary, in each case in the ordinary course of business;

(19) any Investment in an entity which is not a Restricted Subsidiary to which a Restricted Subsidiary sells accounts receivable pursuant to a Receivables Financing;

(20) additional Investments in joint ventures not to exceed at any one time in the aggregate outstanding under this clause (20), (A) the greater of $600 million and 27.0% of EBITDA for the Applicable Measurement Period plus (B) an aggregate amount equal to any returns (including dividends, interest, distributions, returns of principal, proceeds of sale, repayments, redemptions, income and similar amounts) actually received by the respective investor in respect of investments theretofore made by it pursuant to this clause (20); *provided*, *however*, that if any Investment pursuant to this clause (20) is made in any Person that is not a Restricted Subsidiary at the date of the making of such Investment and such Person becomes a Restricted Subsidiary after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (1) above and shall cease to have been made pursuant to this clause (20) for so long as such Person continues to be a Restricted Subsidiary;

(21) Investments of a Restricted Subsidiary acquired after the Issue Date or of an entity merged into, amalgamated with, or consolidated with the Issuer or a Restricted Subsidiary in a transaction that is not prohibited by the covenant described under "*—Merger, Amalgamation, Consolidation or Sale of All or Substantially All Assets*" after the Issue Date to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(22) any Investment in any Subsidiary of the Issuer or any joint venture in connection with intercompany cash management arrangements or related activities arising in the ordinary course of business;

(23) Investments in joint ventures established to develop or operate nightclubs, bars, restaurants, recreation, exercise or gym facilities, or entertainment or retail venues or similar or related establishments or facilities within, in close proximity to or otherwise for the benefit of any Project (as reasonably determined by the Issuer) or other establishments or facilities ancillary to or supportive of the operations of a Project not to exceed at any one time in the aggregate outstanding under this clause (23) the greater of $225 million and 10.0% of EBITDA for the Applicable Measurement Period (plus any returns (including dividends, interest, distributions, returns of principal, proceeds of sale, redemptions, repayments, income and similar amounts) actually received by the respective investor in respect of investments theretofore made by it pursuant to this clause (23)), which Investments may (but are not required to) be made pursuant to (or in lieu of) dispositions in the manner contemplated under clause (v) of the definition of "Asset Sale" or received in consideration for dispositions under clause (v) of the definition of "Asset Sale";

(24) any Investment deemed to be made in connection with the issuance of a letter of credit under or permitted by any Credit Agreement for the account or benefit of any Subsidiary or other Person designated by the Issuer to the extent permitted under any Credit Agreement;

(25) accounts receivable, security deposits and prepayments arising and trade credit granted in the ordinary course of business and any assets or securities received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss and any prepayments and other credits to suppliers made in the ordinary course of business;

(26) Investments resulting from pledges and deposits permitted under the Indenture;

(27) acquisitions by the Issuer of obligations of one or more officers or other employees the Issuer or its Restricted Subsidiaries in connection with such officer's or employee's acquisition of Equity Interests in the Issuer, so long as no cash is actually advanced by the Issuer or any of the Restricted Subsidiaries to such officers or employees in connection with the acquisition of any such obligations;

(28) Investments in the ordinary course of business consisting of Uniform Commercial Code Article 3 endorsements for collection or deposit and Uniform Commercial Code Article 4 customary trade arrangements with customers consistent with past practices;

(29) advances in the form of a prepayment of expenses, so long as such expenses are being paid in accordance with customary trade terms of the Issuer or any Restricted Subsidiary;

(30) Investments consisting of or to finance purchases and acquisitions of inventory, supplies, materials, services or equipment or purchases of contract rights or purchases, sales, licenses or sublicenses (including in respect of gaming licenses) or leases of intellectual property;

(31) any Investment (i) made pursuant to any Master Lease, any Gaming Lease, any MLSA or any Operations Management Agreement or (ii) in connection with the Transactions;

(32) any Investment (i) deemed to exist as a result of a Subsidiary distributing a note or other intercompany debt or other property to a parent of such Subsidiary (to the extent there is no cash consideration or services rendered for such note or other property) and (ii) consisting of intercompany current liabilities as incurred in the ordinary course of business in connection with the cash management, tax and accounting operations of the Issuer and its Subsidiaries;

(33) Guarantees by the Issuer or any Restricted Subsidiary of operating leases (other than Capitalized Lease Obligations) or of other obligations that do not constitute Indebtedness, in each case entered into by the Issuer or any Restricted Subsidiary in the ordinary course of business;

(34) any investments in and other customary transactions with (a) Capri Insurance Company to the extent the same pertain to the provision of insurance coverage, historical practice, are required by applicable law or prudent insurance underwriting principles or (b) IOC-PA, L.L.C. consistent with historical practice; and

(35) the Convention Center Unrestricted Subsidiary Designation;

(36) Permitted Non-Recourse Guarantees, completion guarantees and the granting of Liens on the Equity Interests of Unrestricted Subsidiaries to secure Indebtedness of Unrestricted Subsidiaries and such Permitted Non-Recourse Guarantees;

(37) Guarantees permitted under clause (aa) under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*" of Indebtedness of joint ventures, Restricted Subsidiaries or Unrestricted Subsidiaries incurred, assumed or issued for the purpose of financing, Expansion Capital Expenditures or Development Projects;

(38) Investments in sales of Non-Core Land by the Issuer or any of its Restricted Subsidiaries in an amount not to exceed (x) $10 million and (y) Designated Non-Cash Consideration received pursuant clause (e) of the first paragraph under "*—Certain Covenants—Asset Sales*"; and

(39) any Interactive Entertainment Investment.

The amount of any Investment made other than in the form of cash or cash equivalents shall be the fair market value thereof (as determined by the Issuer in good faith) valued at the time of the making thereof, and without giving effect to any subsequent write-downs or write-offs thereof.

"*Permitted Liens*" means, with respect to any Person:

(1) pledges or deposits by such Person under the Federal Employers Liability Act, workmen's compensation laws, unemployment insurance laws and other social security laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness) or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person, or deposits to secure liability to insurance carriers under insurance or self-insurance arrangements, or deposits to secure surety or appeal bonds to which such Person is a party, or deposits as security for contested taxes or import duties or for the payment of rent, in each case Incurred in the ordinary course of business or securing liability for reimbursement or indemnification obligations of (including obligations in respect of letters of credit or bank guarantees for the benefit of) insurance carriers providing property, casualty or liability insurance to the Issuer or any Restricted Subsidiary;

(2) Liens imposed by law, such as landlord's, carriers', warehousemen's, materialmen's, repairmen's, supplier's, construction and mechanics' or other like Liens, in each case for sums not overdue by more than 30 days or that are being contested in good faith by appropriate proceedings or other Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review;

(3) Liens for taxes, assessments or other governmental charges not yet delinquent by more than 30 days or which are being contested in good faith by appropriate proceedings;

(4) pledges, deposits and other Liens in favor of issuers of performance and surety bonds, appeal bonds or bid bonds, licenses, trade contracts (other than for Indebtedness), leases (other than Capitalized Lease Obligations), statutory obligations, government contracts, agreements with utilities and other obligations of a like nature or with respect to other regulatory requirements (including those Incurred to secure health, safety and environmental obligations in the ordinary course of business) or letters of credit issued pursuant to the request of and for the account of such Person in the ordinary course of its business;

(5) survey exceptions, encumbrances, easements or reservations of, or rights of others for, licenses, rights-of-way, trackage rights, leases (other than Capitalized Lease Obligations), licenses, special assessments, rights of first offer or first refusal, covenants, conditions, restrictions and declarations, servicing agreements, development agreements, site plan agreements, sewers, electric lines, telegraph and telephone lines and other similar purposes or zoning or other restrictions as to the use of real properties or Liens incidental to the conduct of the business of such Person or to the ownership of its properties which do not in the aggregate materially adversely impair their use in the operation of the business of such Person;

(6) (A) Liens on assets of a Restricted Subsidiary that is not a Subsidiary Guarantor securing Indebtedness of such Restricted Subsidiary permitted to be Incurred pursuant to the covenant described under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*"; (B) Liens securing Indebtedness in an aggregate principal amount not to exceed the greater of (x) the aggregate principal amount of Indebtedness permitted to be Incurred pursuant to clause (a) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*" and (y) the maximum principal amount of Indebtedness that, as of the date such Indebtedness was Incurred, and after giving effect to the Incurrence of such Indebtedness and the application of proceeds therefrom on such date on a pro forma basis, (I) in the case of Liens securing First Priority Lien Obligations, would not cause the Senior Secured Indebtedness Leverage Ratio of the Issuer to exceed, at the Issuer's election (X) 4.50 to 1.00 or (Y) if such Liens are created, incurred, assumed or permitted to exist in connection with an acquisition or other Investment permitted under the Indenture, the Senior Secured Indebtedness Leverage Ratio immediately prior to giving effect to such acquisition or permitted Investment and (II) in the case of Liens securing any other Indebtedness, would not cause the Total Secured Indebtedness Leverage Ratio of the Issuer to exceed, at the Issuer's election, (X) 4.75 to 1.00 or (Y) if such Liens are created, incurred, assumed or permitted to exist in connection with an acquisition or other Investment permitted under the Indenture, the Total Secured Indebtedness Leverage Ratio immediately prior to giving effect to such acquisition or permitted Investment; *provided* that, with respect to Liens

securing First Priority Lien Obligations of the Issuer and the Subsidiary Guarantors permitted under this subclause (B), the Notes are secured by Liens on the assets (other than Excluded Assets) subject to such Liens on at least a pari passu basis with the Liens securing all such First Priority Lien Obligations and subject to the First Priority Intercreditor Agreement; and (C) Liens securing Indebtedness permitted to be Incurred pursuant to clause (a), (b), (d), (l), (o), (p), (q), (w), (aa), (hh) or (jj) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*" (*provided* that (1) in the case of clause (d), such Lien extends only to the assets and/or Capital Stock, the acquisition, lease, construction, repair, replacement or improvement of which is financed thereby and any accessions and additions thereto and any proceeds or products thereof (*provided* that individual financings provided by one lender may be cross-collateralized to other financings provided by such lender), (2) in the case of clause (w) such Lien extends only to the assets and/or Capital Stock, the acquisition, lease, construction, repair, replacement or improvement of which is financed thereby and any accessions or additions thereto and any proceeds or products thereof (*provided* that individual financings provided by one lender may be cross-collateralized to other financings provided by such lender *provided* that Liens securing any Qualified Non-Recourse Debt may attach to any or all assets of the applicable Qualified Non-Recourse Subsidiary and its Subsidiaries and to Equity Interests in the applicable Qualified Non-Recourse Subsidiary and its Subsidiaries) and (3) in the case of clause (p), such Liens securing Indebtedness Incurred pursuant to clause (p) shall only be permitted under this clause (3) if, on a pro forma basis after giving effect to the Incurrence of such Indebtedness and Liens, (I) in the case of Liens securing First Priority Lien Obligations, the Senior Secured Indebtedness Leverage Ratio of the Issuer would be no greater than immediately prior to such Incurrence and (II) in the case of Liens securing any other Indebtedness, the Total Secured Indebtedness Leverage Ratio of the Issuer would be no greater than immediately prior to such Incurrence (excluding the effect of any increase due to the payment of premiums (including tender premiums), accrued interest, expenses, defeasance costs and fees in connection therewith));

(7) Liens existing on the Issue Date after giving effect to the Transactions (other than Liens securing the Existing Credit Agreements or the Notes);

(8) Liens on assets, property or shares of stock of a Person at the time such Person becomes a Subsidiary (including any after acquired property to the extent it would have been subject to the original Lien); *provided*, *however*, that such Liens (other than Liens to secure Indebtedness Incurred pursuant to clause (p) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*") are not created or Incurred in connection with, or in contemplation of, such other Person becoming such a Subsidiary; *provided*, *further*, *however*, that such Liens (other than Liens to secure Indebtedness Incurred pursuant to clause (p) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*") may not extend to any other property owned by the Company or any Restricted Subsidiary (other than such Person becoming a Subsidiary and Subsidiaries of such Person) (other than pursuant to after acquired property clauses in effect with respect to such Lien at the time of acquisition or property of the type that would have been subject to such Lien notwithstanding the occurrence of such acquisition) and proceeds thereof;

(9) Liens on assets or property at the time the Issuer or a Restricted Subsidiary acquired the assets or property, including any acquisition by means of a merger, amalgamation or consolidation with or into the Issuer or any Restricted Subsidiary; *provided*, *however*, that such Liens (other than Liens to secure Indebtedness Incurred pursuant to clause (p) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*") are not created or Incurred in connection with, or in contemplation of, such acquisition; *provided*, *further*, *however*, that the Liens (other than Liens to secure Indebtedness Incurred pursuant to clause (p) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*") may not extend to any other property owned by the Issuer or any Restricted Subsidiary (other than pursuant to after acquired property clauses in effect with respect to such Lien at the time of acquisition or property of the type that would have been subject to such Lien notwithstanding the occurrence of such acquisition) and proceeds thereof;

(10) Liens securing Indebtedness or other Obligations of the Issuer or a Restricted Subsidiary owing to another Restricted Subsidiary or the Issuer permitted to be Incurred in accordance with the covenant described under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*";

(11) Liens securing Hedging Obligations not Incurred in violation of the Indenture; *provided* that with respect to Hedging Obligations relating to Indebtedness, such Lien extends only to the property securing such Indebtedness;

(12) Liens on specific items of inventory or other goods (or the documents of title in respect thereof) and proceeds of any Person securing such Person's Obligations in respect of letters of credit or bankers' acceptances or guarantees issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(13) leases and subleases of real property which do not materially interfere with the ordinary conduct of the business of the Issuer or any Restricted Subsidiary;

(14) Liens arising from Uniform Commercial Code financing statement filings regarding operating leases entered into by the Issuer and its Restricted Subsidiaries in the ordinary course of business;

(15) Liens in favor of the Issuer or any Subsidiary Guarantor;

(16) Liens on accounts receivable and related assets of the type specified in the definition of "Receivables Financing" or on Equity Interests in a Receivables Subsidiary Incurred in connection with a Qualified Receivables Financing;

(17) deposits made in the ordinary course of business to secure liability to insurance carriers including insurance premium financing arrangements;

(18) Liens on the Equity Interests of Unrestricted Subsidiaries; *provided* that such Liens do not encumber any property or assets of the Issuer or any Restricted Subsidiary other than the Equity Interests of such Unrestricted Subsidiary;

(19) grants of software and other technology licenses in the ordinary course of business;

(20) Liens to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancings, refundings, extensions, renewals or replacements) as a whole, or in part, of any Indebtedness or other obligations secured by any Lien referred to in the foregoing clauses (6), (7), (8), (9), (10), (11), (15) and (25) or this clause (20); *provided*, *however*, that (x) such new Lien shall be limited to all or part of the same property (including any after acquired property to the extent it would have been subject to the original Lien) that secured the original Lien (plus improvements on such property) and (y) the Indebtedness or other obligations secured by such Lien at such time is not increased to any amount greater than the sum of (A) the outstanding principal amount or, if greater, committed amount of the Indebtedness or other obligations described under clauses (6), (7), (8), (9), (10), (11), (15), (20) or (25) at the time the original Lien became a Permitted Lien under the Indenture and (B) an amount necessary to pay any fees and expenses, including premiums, related to such refinancing, refunding, extension, renewal or replacement; *provided*, *further*, *however*, that in the case of any Liens to secure any refinancing, refunding, extension or renewal of Indebtedness or other obligations secured by a Lien referred to in clause (6)(B) or (25), the principal amount of any Indebtedness Incurred for such refinancing, refunding, extension or renewal shall be deemed secured by a Lien under clause (6)(B) or (25) and not this clause (20) for purposes of determining the principal amount of Indebtedness or other obligations outstanding under clause (6)(B) or (25) and for purposes of the definition of "Secured Bank Indebtedness";

(21) Liens on equipment of the Issuer or any Restricted Subsidiary granted in the ordinary course of business to the Issuer's or such Restricted Subsidiary's client at which such equipment is located;

(22) judgment and attachment Liens not giving rise to an Event of Default and notice of lis pendens and associated rights related to litigation being contested in good faith by appropriate proceedings and for which adequate reserves have been made;

(23) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into in the ordinary course of business;

(24) Liens Incurred to secure cash management services or to implement cash pooling arrangements in the

ordinary course of business including, without limitation, (i) Liens that are contractual rights of set-off (A) relating to the establishment of depository relations with banks and other financial institutions not given in connection with the issuance of Indebtedness, (B) relating to pooled deposits, sweep accounts, reserve accounts or similar accounts of the Issuer or any Restricted Subsidiary to permit satisfaction of overdraft or similar obligations Incurred in the ordinary course of business of the Issuer or any Restricted Subsidiary, including with respect to credit card chargebacks and similar obligations or (C) relating to purchase orders and other agreements entered into with customers, suppliers or service providers of the Issuer or any Restricted Subsidiary in the ordinary course of business and (ii) Liens on Cash Equivalents on deposit to secure obligations owing under any treasury, depository, overdraft or other cash management services agreements or arrangements of the Issuer or any of its Restricted Subsidiaries;

(25) other Liens securing Obligations, the outstanding principal amount of which does not, taken together with the principal amount of all other Obligations secured by Liens Incurred under this clause (25) that are at that time outstanding, exceed the greater of $750 million and 32.5% of EBITDA for the Applicable Measurement Period;

(26) any Lien, encumbrance or restriction (including put and call arrangements) with respect to Capital Stock of any joint venture or similar arrangement (i) securing obligations of such joint venture or similar arrangement or (ii) pursuant to any joint venture or similar agreement;

(27) any amounts held by a trustee in the funds and accounts under an indenture securing any revenue bonds issued for the benefit of the Issuer or any Restricted Subsidiary;

(28) Liens (i) arising by virtue of any statutory or common law provisions relating to banker's Liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a depository or financial institution, (ii) attaching to commodity trading accounts or other commodity brokerage accounts Incurred in the ordinary course of business or (iii) encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to brokerage accounts Incurred in the ordinary course of business and not for speculative purposes;

(29) (i) Liens pursuant to the Master Leases and any Gaming Lease, which Liens are limited to the leased property under the applicable Master Lease or Gaming Lease and the Master Lease Collateral related to such Master Lease or Gaming Lease that is a Gaming Lease or Master Lease and which Lien is granted to the applicable Master Lease Landlord or landlord under such Gaming Lease for the purpose of securing the obligations of the applicable Master Lease Tenant or tenant under such Gaming Lease to the applicable Master Lease Landlord or landlord under such Gaming Lease and (ii) Liens on cash and Cash Equivalents (and on the related escrow accounts or similar accounts, if any) required to be paid to the lessors (or lenders to such lessors) under such leases or maintained in an escrow account or similar account pending application of such proceeds in accordance with the applicable Master Lease or Gaming Lease;

(30) the Venue Easements and any other easements, covenants, rights of way or similar instruments granted in connection with the leases contemplated under clauses (i), (q), (u), (v), (w) or (x) of the definition of "Asset Sale," which in each case do not materially impact the applicable Project in an adverse manner;

(31) the filing of a reversion, subdivision or final map(s), record(s) of survey and/or amendments to any of the foregoing over Real Property held by the Issuer or a Restricted Subsidiary designed (A) to merge one or more of the separate parcels thereof together so long as the entirety of each such parcel shall be owned by the Issuer or a Restricted Subsidiary or (B) to separate one or more of the parcels thereof together so long as the entirety of each resulting parcel shall be owned by the Issuer or a Restricted Subsidiary;

(32) from and after the lease or sublease of any interest pursuant to clause (i), (q), (u), (v), (w) or (x) of the definition of "Asset Sale," any reciprocal easement agreement entered into between the Issuer or a Restricted Subsidiary and the holder of such interest;

(33) Liens disclosed by the title insurance policies delivered on or subsequent to the Issue Date pursuant to any Credit Agreement and any replacement, extension or renewal of any such Lien; *provided* that such replacement, extension or renewal Lien shall not cover any property other than the property that was subject to such Lien prior to such replacement, extension or renewal; *provided*, *further*, that the Indebtedness and other obligations secured by such replacement, extension or renewal Lien are permitted by the Indenture;

(34) any interest or title of a lessor or sublessor under any leases or subleases entered into by the Issuer or any Restricted Subsidiary in the ordinary course of business;

(35) leases or subleases, licenses or sublicenses (including with respect to intellectual property and software) granted to others in the ordinary course of business not interfering in any material respect with the business of the Issuer and the Restricted Subsidiaries, taken as a whole;

(36) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(37) Liens solely on any cash earnest money deposits or escrow deposits made by the Issuer or any of the Restricted Subsidiaries in connection with any letter of intent, offer to purchase or purchase agreement in respect of any acquisition or Investment permitted under the Indenture;

(38) Liens on any amounts held by a trustee under any indenture or other debt agreement issued in escrow pursuant to customary escrow arrangements pending the release thereof, or under any indenture or other debt agreement pursuant to customary discharge, redemption or defeasance provisions (including Liens securing any Discharged Indebtedness or Escrowed Indebtedness permitted under the Indenture);

(39) the prior rights of consignees and their lenders under consignment arrangements entered into in the ordinary course of business;

(40) agreements to subordinate any interest of the Issuer or any Restricted Subsidiary in any accounts receivable or other proceeds arising from inventory consigned by the Issuer or any of its Restricted Subsidiaries pursuant to an agreement entered into in the ordinary course of business;

(41) Liens arising from precautionary Uniform Commercial Code financing statements or consignments entered into in connection with any transaction otherwise permitted under the CEI Credit Agreement;

(42) Liens on securities that are the subject of repurchase agreements constituting Cash Equivalents under clause (4) of the definition thereof;

(43) Liens in respect of Receivables Financings that extend only to the assets subject thereto and Equity Interests in Receivables Subsidiaries;

(44) Liens on goods or inventory the purchase, shipment or storage price of which is financed by a documentary letter of credit, bank guarantee or bankers' acceptance issued or created for the account of the Issuer or any Restricted Subsidiary in the ordinary course of business; *provided* that such Lien secures only the Obligations of the Issuer or such Restricted Subsidiaries in respect of such letter of credit, bank guarantee or banker's acceptance to the extent permitted under "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*";

(45) in the case of Real Property that constitutes a leasehold interest, any Lien to which the fee simple interest (or any superior leasehold interest) is subject;

(46) Liens arising pursuant to definitive documentation and applicable Gaming Laws in respect of any Interim Trust pursuant to an Interim Authorization Trust Arrangement, in each case, prior to the earlier of (x) the issuance of the gaming licenses by the applicable Gaming Authority or (y) any Interim Trust Asset Disposition by the Interim Trust, in each case, as required by the applicable Gaming Authorities having jurisdiction over such Interim Purchaser;

(47) Permitted Vessel Liens; and

(48) other Liens incidental to the conduct of the business of the Issuer and its Subsidiaries or the ownership of their Properties which were not created in connection with the Incurrence of Indebtedness and do not in the aggregate materially detract from the value of such Properties or materially impair the use thereof, including without limitation leases, subleases, licenses and sublicenses and Liens imposed pursuant to the Paid-Up Oil and Gas Leases.

"*Permitted Non-Recourse Guarantees*" means customary indemnities or Guarantees (including by means of separate indemnification agreements or carveout guarantees) provided by the Issuer or any of its Restricted Subsidiaries in financing transactions that are directly or indirectly secured by real property or other real property-related assets (including Equity Interests) of a joint venture or Unrestricted Subsidiary and that may be full recourse or non-recourse to the joint venture or Unrestricted Subsidiary that is the borrower in such financing, but is nonrecourse to the Issuer or any Restricted Subsidiary of the Issuer except for recourse to the direct or indirect Equity Interests in such joint venture or Unrestricted Subsidiary or such indemnities and limited contingent guarantees as are consistent with customary industry practice (such as environmental indemnities, bad act loss recourse and other recourse triggers based on violation of transfer restrictions and bankruptcy related restrictions).

"*Permitted Vessel Liens*" means:

(1) Liens for seaman's wages (including those of masters, maintenance, cure and stevedore's wages);

(2) Liens for damages arising from maritime torts (including personal injury and death) which are unclaimed or covered by insurance (subject to applicable deductibles);

(3) Liens for general average and salvage;

(4) Liens for necessaries or otherwise arising by operation of law in the ordinary course of business in operating, maintaining or repairing a Vessel;

(5) statutory Liens for current taxes or other governmental charges; and

(6) mechanics', carriers', workers', repairers' and similar statutory or common law Liens arising or Incurred in the ordinary course of business;

in each case in the preceding clauses (1) through (6), for amounts which are not overdue by more than 30 days or that are being contested in good faith by appropriate proceedings and in respect of which, the Company or any Subsidiary shall have set aside on its books reserves in accordance with GAAP.

"*Person*" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock issuer, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"*Preferred Stock*" means any Equity Interest with preferential right of payment of dividends or upon liquidation, dissolution or winding up.

"*Pre-Opening Expenses*" means, with respect to any fiscal period, the amount of expenses (other than interest expense) Incurred with respect to capital projects that are classified as "pre-opening expenses" or "project opening costs" (or similar classification) on the applicable financial statements of the Issuer and its Restricted Subsidiaries for such period, prepared in accordance with GAAP.

"*Project*" means each project of the Issuer or a Restricted Subsidiary which is either a new project or a new feature of an existing project.

"*Project Financing*" shall mean (1) any Capitalized Lease Obligation, mortgage financing, purchase money Indebtedness or other similar Indebtedness Incurred to finance the acquisition, lease, construction, repair, replacement or improvement of any Undeveloped Land or any refinancing of any such Indebtedness and (2) any Sale/Leaseback Transaction of any Undeveloped Land.

"*Property*" means, with respect to any Person, any interest of such Person in any land, property or asset, whether real, personal or mixed, or tangible or intangible, including, without limitation, Capital Stock in any other Person.

"*Qualified Non-Recourse Debt*" means Indebtedness that (1) is (a) Incurred by a Qualified Non-Recourse Subsidiary to finance (whether prior to or within 270 days after) the acquisition, lease, construction, repair, replacement or improvement of any property (real or personal) or equipment (whether through the direct purchase of

property or the Equity Interests of any Person owning such property and whether in a single acquisition or a series of related acquisitions) or any Undeveloped Land or, to the extent owned by the Issuer or a Restricted Subsidiary on the Issue Date, any Real Property located outside the United States or (b) assumed by a Qualified Non-Recourse Subsidiary, (2) is non-recourse to the Issuer and any Subsidiary Guarantor and (3) is non-recourse to any Restricted Subsidiary that is not a Qualified Non-Recourse Subsidiary.

"*Qualified Non-Recourse Subsidiary*" means (1) a Restricted Subsidiary that is formed, created or designated as such in order to finance an acquisition, lease, construction, repair, replacement or improvement of any property or equipment, any Undeveloped Land, or to the extent owned by the Issuer or a Restricted Subsidiary on the Issue Date, any Real Property located outside the United States (directly or through one of its Subsidiaries) that secures Qualified Non-Recourse Debt and (2) any Restricted Subsidiary of a Qualified Non-Recourse Subsidiary. For the avoidance of doubt, the Issuer may, by written notice to the Notes Trustee, revoke the designation of any Subsidiary as a Qualified Non-Recourse Subsidiary at any time in its sole discretion.

"*Qualified Receivables Financing*" means any Receivables Financing of a Receivables Subsidiary that meets the following conditions:

(1) the Board of Directors shall have determined in good faith that such Qualified Receivables Financing (including financing terms, covenants, termination events and other provisions) is in the aggregate economically fair and reasonable to the Issuer and the Receivables Subsidiary;

(2) all sales of accounts receivable and related assets to the Receivables Subsidiary are made at Fair Market Value (as determined in good faith by the Issuer); and

(3) the financing terms, covenants, termination events and other provisions thereof shall be market terms (as determined in good faith by the Issuer) and may include Standard Securitization Undertakings.

The grant of a security interest in any accounts receivable of the Issuer or any Restricted Subsidiary (other than a Receivables Subsidiary) to secure Bank Indebtedness, Indebtedness in respect of the Notes or any Refinancing Indebtedness with respect to the Notes shall not be deemed a Qualified Receivables Financing.

"*Rating Agency*" means (1) each of Moody's, S&P and Fitch and (2) if Moody's, S&P or Fitch ceases to rate the Notes for reasons outside of the Issuer's control, a "nationally recognized statistical rating organization" within the meaning of Rule 15cs-1(c)(2)(vi)(F) under the Exchange Act selected by the Issuer as a replacement agency for Moody's, S&P or Fitch, as the case may be.

"*Real Property*" means, collectively, all right, title and interests (including any leasehold, mineral or other estate) in and to any and all parcels of or interests in real property owned, leased or operated by any Person, whether by lease, license or other means, together with, in each case, all easements, hereditaments and appurtenances relating thereto, all buildings, structures, parking areas and improvements and appurtenant fixtures and equipment, all general intangibles and contract rights and other property and rights incidental to the ownership, lease or operation thereof.

"*Receivables Assets*" shall mean any of the following assets (or interests therein) from time to time originated, acquired or otherwise owned by the Issuer or any Restricted Subsidiary or in which the Issuer or any Restricted Subsidiary has any rights or interests, in each case, without regard to where such assets or interests are located: (a) accounts receivable (including any bills of exchange) and related assets and property, (b) franchise fees, management fees, license fees, royalties and other similar payments made related to the use of trade names and other intellectual property rights, business support, training and other services, (c) revenues related to distribution and merchandising of the products of the Issuer and its Restricted Subsidiaries, (d) rents, real estate taxes and other non-royalty amounts due from franchisees, (e) intellectual property rights relating to the generation of any of the types of assets listed in this definition, (f) any Equity Interests in any Receivables Subsidiary or any Subsidiary of a Receivables Subsidiary and any rights under any limited liability company agreement, trust agreement, shareholders agreement, organization or formation documents or other agreement entered into in furtherance of the organization of such entity, (g) any equipment, contractual rights with unaffiliated third parties, website domains and associated property and rights necessary for a Receivables Subsidiary to operate in accordance with its stated purposes, (h) any rights and obligations associated with gift card or similar programs and (i) other assets and property (or proceeds of

such assets or property) to the extent customarily included in securitization transactions of the relevant type in the applicable jurisdictions (as determined by the Issuer in good faith).

"*Receivables Fees*" means distributions or payments made directly or by means of discounts with respect to any participation interests issued or sold in connection with, and all other fees paid to a Person that is not a Restricted Subsidiary in connection with, any Receivables Financing.

"*Receivables Financing*" means any transaction or series of transactions that may be entered into by the Issuer or any of its Subsidiaries pursuant to which the Issuer or any of its Subsidiaries may sell, convey or otherwise transfer to (a) a Receivables Subsidiary (in the case of a transfer by the Issuer or any of its Subsidiaries); and (b) any other Person (in the case of a transfer by a Receivables Subsidiary), or may grant a security interest in, any Receivables Asset (whether now existing or arising in the future) of the Issuer or any of its Subsidiaries, and any assets related thereto including, without limitation, all collateral securing such Receivables Asset, all contracts and all guarantees or other obligations in respect of such Receivables Asset, proceeds of such Receivables Asset and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving Receivables Assets and any Hedging Obligations entered into by the Issuer or any such Subsidiary in connection with such Receivables Assets.

"*Receivables Repurchase Obligation*" means any obligation of a seller of receivables in a Qualified Receivables Financing to repurchase receivables arising as a result of a breach of a representation, warranty or covenant or otherwise, including as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, off-set or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller.

"*Receivables Subsidiary*" means a Restricted Subsidiary (or another Person formed for the purposes of engaging in Qualified Receivables Financing with the Issuer in which the Issuer or any Subsidiary of the Issuer makes an Investment and to which the Issuer or any such Subsidiary transfers Receivables Assets and related assets) which engages in no activities other than in connection with the financing of Receivables Assets of the Issuer and its Subsidiaries, all proceeds thereof and all rights (contractual or other), collateral and other assets relating thereto, and any business or activities incidental or related to such business, and which is designated by the Board of Directors (as provided below) as a Receivables Subsidiary and:

(a) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (i) is guaranteed by the Issuer or any other Subsidiary of the Issuer (excluding guarantees of obligations (other than the principal of and interest on, Indebtedness) pursuant to Standard Securitization Undertakings), (ii) is recourse to or obligates the Issuer or any other Subsidiary of the Issuer in any way other than pursuant to Standard Securitization Undertakings or (iii) subjects any property or asset of the Issuer or any other Subsidiary of the Issuer, directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings;

(b) with which neither the Issuer nor any other Subsidiary of the Issuer had any material contract, agreement, arrangement or understanding other than on terms which the Issuer reasonably believes to be no less favorable to the Issuer or such Subsidiary than those that might be obtained at the time from Persons that are not Affiliates of the Issuer; and

(c) to which none of the Issuer or any of its Subsidiaries have any obligation to maintain or preserve such entity's financial condition or cause such entity to achieve certain levels of operating results.

Any such designation by the Board of Directors shall be evidenced to the Notes Trustee by delivering to the Notes Trustee a certified copy of the resolution of the Board of Directors giving effect to such designation and an Officer's Certificate certifying that such designation complied with the foregoing conditions.

"*Related Party*" means:

(1) any controlling stockholder, majority owned Subsidiary, or immediate family member, including, without limitation, present, former and future spouses, sons-in-law and daughters-in-law (in the case of an individual) of any principal; or

(2) any trust, corporation, partnership, limited liability company or other entity, the beneficiaries, stockholders, partners, members, owners or Persons beneficially holding a majority (and controlling) interest of which consist of any one or more principals and/or such other Persons referred to in the immediately preceding clause (1).

"*Representative*" means the trustee, agent or representative (if any) for an issue of Indebtedness; *provided* that if, and for so long as, such Indebtedness lacks such a Representative, then the Representative for such Indebtedness shall at all times constitute the holder or holders of a majority in outstanding principal amount of Obligations under such Indebtedness.

"*Restricted Cash*" means cash and Cash Equivalents held by Restricted Subsidiaries that is contractually restricted from being distributed to the Issuer, except for (i) such cash and Cash Equivalents subject only to such restrictions that are contained in agreements governing Indebtedness permitted under the Indenture and that is secured by such cash or Cash Equivalents and (ii) cash and Cash Equivalents constituting "cage cash" (it being understood that cash or cash equivalents of CEC and its subsidiaries shall not be considered "restricted" for this purpose solely due to the restrictions set forth in any MLSA or the CRC Secured Indenture, or in each case, any refinancing or replacement thereof).

"*Restricted Investment*" means an Investment other than a Permitted Investment.

"*Restricted Subsidiary*" means, with respect to any Person, any Subsidiary of such Person other than an Unrestricted Subsidiary of such Person. Unless otherwise indicated in this "*Description of Notes*," all references to Restricted Subsidiaries shall mean Restricted Subsidiaries of the Issuer.

"*Reversion Date*" means the date on which at least two of the Rating Agencies withdraw their Investment Grade Rating or downgrade the rating assigned to the Notes below an Investment Grade Rating.

"*S&P*" means Standard & Poor's Ratings Group or any successor to the rating agency business thereof.

"*Sale/Leaseback Transaction*" means an arrangement relating to property now owned or hereafter acquired by the Issuer or a Restricted Subsidiary whereby the Issuer or such Restricted Subsidiary transfers such property to a Person and the Issuer or such Restricted Subsidiary leases it from such Person, other than leases between the Issuer and a Restricted Subsidiary or between Restricted Subsidiaries.

"*SEC*" means the Securities and Exchange Commission.

"*Secured Bank Indebtedness*" means any Bank Indebtedness that is secured by a Permitted Lien Incurred or deemed to be Incurred pursuant to clause (6)(B) of the definition of "Permitted Liens," as designated by the Issuer to be included in this definition; *provided* that if such Bank Indebtedness is intended to constitute First Priority Lien Obligations, then an authorized representative of the holders of such Bank Indebtedness shall (if not already a party thereto) become a party to the First Lien Intercreditor Agreement.

"*Secured Indebtedness*" means any Indebtedness secured by a Lien.

"*Securities Act*" means the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

"*Security Documents*" means the Collateral Agreement, the IP Security Agreement (as defined in the Collateral Agreement), the First Lien Intercreditor Agreement, any Junior Lien Intercreditor Agreement and any other security agreements, pledge agreements, collateral assignments, Mortgages and related agreements, as amended, supplemented, restated, renewed, refunded, replaced, restructured, repaid, refinanced or otherwise modified from time to time, creating the security interests in the Collateral in favor of the Collateral Agent for the benefit of the Notes Trustee and the holders of the Notes as contemplated by the Indenture.

"*Senior Secured Indebtedness Leverage Ratio*" means, with respect to the Issuer, at any date the ratio of (i) Consolidated Total Indebtedness (excluding (A) Qualified Non-Recourse Debt, (B) Development Expenses (whether or not included in Consolidated Total Indebtedness), (C) Discharged Indebtedness and (D) Escrowed Indebtedness) constituting First Priority Lien Obligations as of such date of calculation (determined on a consolidated basis in

accordance with GAAP) less the amount of cash and Cash Equivalents in excess of any Restricted Cash held by the Issuer and its Restricted Subsidiaries as of such date of determination to (ii) EBITDA of the Issuer for the four full fiscal quarters for which internal financial statements are available immediately preceding such date on which such additional Indebtedness is Incurred. In the event that the Issuer or any Restricted Subsidiary Incurs, repays, defeases, discharges, repurchases or redeems any Indebtedness subsequent to the commencement of the period for which the Senior Secured Indebtedness Leverage Ratio is being calculated but on or prior to the event for which the calculation of the Senior Secured Indebtedness Leverage Ratio is made (the "*Senior Secured Leverage Calculation Date*"), then the Senior Secured Indebtedness Leverage Ratio shall be calculated giving pro forma effect to such Incurrence, repayment, defeasance, discharge, repurchase or redemption of Indebtedness as if the same had occurred at the beginning of the applicable four-quarter period; *provided* that the Issuer may elect, pursuant to an Officer's Certificate delivered to the Notes Trustee, to treat all or any portion of the commitment under any Indebtedness as being Incurred at such time, in which case any subsequent Incurrence of Indebtedness under such commitment shall not be deemed, for purposes of this calculation, to be an Incurrence at such subsequent time.

For purposes of making the computation referred to above, Investments, acquisitions, dividends and distributions, dispositions, mergers, amalgamations, consolidations and discontinued operations (as determined in accordance with GAAP), in each case with respect to an operating unit of a business, any execution of a Gaming Lease, any amendment, modification, termination or waiver to any provision of any Master Lease or Gaming Lease, any capital expenditure, construction, repair, replacement, improvement, development, Expansion Capital Expenditure or Development Project and restructurings, operating improvements, or cost savings initiatives or similar initiatives of the business that the Issuer or any Restricted Subsidiary has determined to make and/or made prior to or during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Senior Secured Leverage Calculation Date shall be calculated on a pro forma basis assuming that all such Investments, acquisitions, dividends and distributions, dispositions, mergers, amalgamations, consolidations, discontinued operations, execution of a Gaming Lease, amendment, modification, termination or waiver to any provision of any Master Lease or Gaming Lease, any capital expenditure, construction, repair, replacement, improvement, development, Expansion Capital Expenditure or Development Project and restructurings, operating improvements, or cost savings initiatives or similar initiatives (which shall include cost savings resulting from head count reduction, closure of facilities and operational improvements and other cost savings) of the business (and the change of any associated Indebtedness and the change in EBITDA resulting therefrom) had occurred on the first day of the four-quarter reference period. If since the beginning of such period any Person that subsequently became a Restricted Subsidiary or was merged with or into the Issuer or any Restricted Subsidiary since the beginning of such period shall have made any Investment, acquisition, dividend or distribution, disposition, merger, consolidation, amalgamation, discontinued operation, execution of a Gaming Lease, any amendment, modification, termination or waiver to any provision of any Master Lease or Gaming Lease, any capital expenditure, construction, repair, replacement, improvement, development, Expansion Capital Expenditure or Development Project or restructurings, operating improvements, or cost savings initiatives or similar initiatives of the business, in each case with respect to an operating unit of a business, that would have required adjustment pursuant to this definition, then the Senior Secured Indebtedness Leverage Ratio shall be calculated giving pro forma effect thereto for such period as if such Investment, acquisition, dividend or distribution, disposition, discontinued operation, merger, amalgamation, consolidation, execution of a Gaming Lease, any amendment, modification, termination or waiver to any provision of any Master Lease or Gaming Lease, any capital expenditure, construction, repair, replacement, improvement, development, Expansion Capital Expenditure or Development Project or restructurings, operating improvements, or cost savings initiatives or similar initiatives (which shall include cost savings resulting from head count reduction, closure of facilities and operational improvements and other cost savings) of the business had occurred at the beginning of the applicable four-quarter period. For purposes of making the computation referred to above, with respect to each New Project that commences operations and records not less than one full fiscal quarter's operations during the four-quarter reference period, the operating results of such New Project (for each full fiscal quarter completed) will be annualized on a straight-line basis during such period. If since the beginning of such period any Restricted Subsidiary is designated an Unrestricted Subsidiary or any Unrestricted Subsidiary is designated a Restricted Subsidiary, then the Senior Secured Indebtedness Leverage Ratio shall be calculated giving pro forma effect thereto for such period as if such designation had occurred at the beginning of the applicable four-quarter period.

For purposes of this definition, whenever pro forma effect is to be given to any event, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Issuer. Any such pro

forma calculation of this definition may also include (i) adjustments appropriate, in the reasonable good faith determination of the Issuer, to reflect operating expense reductions and other operating improvements, synergies or cost savings reasonably expected to result from the applicable event and any other relevant event that occurred prior to or during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Senior Secured Leverage Calculation Date (including, to the extent applicable, from the Transactions) and (ii) any adjustments of the type used in connection with the calculation of "Adjusted EBITDA" as set forth or incorporated in this Offering Memorandum.

For purposes of this definition, any amount in a currency other than U.S. dollars will be converted to U.S. dollars either based on (1) the average exchange rate for such currency for the most recent twelve month period immediately prior to the date of determination in a manner consistent with that used in calculating EBITDA for the applicable period or (2) the exchange ratio used in the applicable financial statements.

"*Series*" means (a) with respect to the First Lien Secured Parties, each of (i) the holders of the Credit Agreement Obligations, (ii) the holders of the Notes and the Notes Trustee (each in their capacity as such) and (iii) the Additional First Lien Secured Parties that become subject to the First Lien Intercreditor Agreement on or after the Issue Date that are represented by a common Authorized Representative (in its capacity as such for such Additional First Lien Secured Parties) and (b) with respect to any First Priority Lien Obligations, each of (i) the Credit Agreement Obligations, (ii) the Notes Obligations and (iii) the Other First Priority Lien Obligations Incurred pursuant to any applicable agreement, which pursuant to any joinder agreement, are to be represented under the First Lien Intercreditor Agreement by a common Authorized Representative (in its capacity as such for such Other First Priority Lien Obligations).

"*Shared Collateral*" means, at any time, Collateral in which the holders of two or more Series of First Priority Lien Obligations (or their respective Authorized Representatives or the Collateral Agent on behalf of such holders) hold a valid and perfected security interest or Lien at such time. If more than two Series of First Priority Lien Obligations are outstanding at any time and the holders of less than all Series of First Priority Lien Obligations hold a valid and perfected security interest in or Lien on any Collateral at such time, then such Collateral shall constitute Shared Collateral for those Series of First Priority Lien Obligations that hold a valid and perfected security interest in or Lien on such Collateral at such time and shall not constitute Shared Collateral for any Series which does not have a valid and perfected security interest in or Lien on such Collateral at such time.

"*Significant Subsidiary*" means any Restricted Subsidiary that would be a "Significant Subsidiary" of the Issuer, taken as a whole, within the meaning of Rule 1-02 under Regulation S-X promulgated by the SEC (or any successor provision).

"*Similar Business*" means a business, the majority of whose revenues are derived from (i) the business or activities of the Issuer and its Subsidiaries and Unrestricted Subsidiaries as of the Issue Date or (ii) any business that is a natural outgrowth or reasonable extension, development or expansion of any such business or any business similar, reasonably related, incidental, complementary or ancillary to any of the foregoing.

"*Specified Excluded Collateral*" means any Pledged Stock or other Collateral (each as defined in the Collateral Agreement) the pledge of, or grant of security interest in, which to secure the Notes Obligations requires the approval of the Nevada Gaming Control Board, the Nevada Gaming Commission or the New Jersey Division of Gaming Enforcement until such time, if any, that all such applicable approvals with respect to such Pledged Stock and other Collateral are obtained; *provided*, *however*, that from and after the date that all such approvals are obtained, (a) this definition shall automatically terminate and be of no further force or effect, and (b) such Pledged Stock and other Collateral shall no longer constitute "Specified Excluded Collateral", and thereafter, shall be pledged in all respects to the extent required pursuant to the Collateral Agreement.

"*Standard Securitization Undertakings*" means representations, warranties, covenants, indemnities and guarantees of performance entered into by the Issuer or any Subsidiary of the Issuer, which the Issuer has determined in good faith to be customary in a Receivables Financing including, without limitation, those relating to the servicing of the assets of a Receivables Subsidiary, it being understood that any Receivables Repurchase Obligation shall be deemed to be a Standard Securitization Undertaking.

"*Stated Maturity*" means, with respect to any security, the date specified in such security as the fixed date on which the final payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency beyond the control of the issuer unless such contingency has occurred and excluding any redemption subject to conditions if such conditions have not been satisfied).

"*Subordinated Indebtedness*" means (a) with respect to the Issuer, any Indebtedness of the Issuer which is by its terms subordinated in right of payment to the Notes and (b) with respect to any Subsidiary Guarantor, any Indebtedness of such Subsidiary Guarantor which is by its terms subordinated in right of payment to obligations in respect of the Notes.

"*Subsidiary*" means, with respect to any Person, (a) any corporation, association or other business entity (other than a partnership, joint venture or limited liability company) of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time of determination owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof and (b) any partnership, joint venture or limited liability company of which (x) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (y) such Person or any Subsidiary of such Person is a controlling general partner or controlling managing member or otherwise controls such entity.

"*Subsidiary Guarantor*" means any Subsidiary of the Issuer that guarantees the Notes, as provided in the Indenture or a supplemental indenture; *provided* that upon the release or discharge of such Subsidiary from its obligations to guarantee the Notes in accordance with the Indenture or supplemental indenture, such Subsidiary ceases to be a Subsidiary Guarantor.

"*Suspension Period*" means the period of time between a Covenant Suspension Event and the related Reversion Date.

"*Taking*" means any taking of all or any portion of the Collateral by condemnation or other eminent domain proceedings, pursuant to any law, general or special, or by reason of the temporary requisition of the use or occupancy of all or any portion of the Collateral by any governmental authority, civil or military, or any sale pursuant to the exercise by any such governmental authority of any right which it may then have to purchase or designate a purchaser or to order a sale of all or any portion of the Collateral.

"*Third Party Funds*" means any cash and cash equivalents (and the related escrow accounts, segregated accounts or similar accounts, if any) held or received on behalf of third parties (other than the Issuer or any Subsidiary Guarantor), including, without limitation, the lessors (or lenders to such lessors) under any Master Lease or Gaming Lease or maintained in an escrow account or similar account pending application of such proceeds in accordance with the applicable Master Lease or Gaming Lease.

"*Total Assets*" means the total consolidated assets of the Issuer and its Restricted Subsidiaries, as shown on the most recent balance sheet of the Issuer, without giving effect to any amortization of the amount of intangible assets since the Issue Date, calculated on a pro forma basis after giving effect to any subsequent acquisition or disposition of a Person or business.

"*Total Secured Indebtedness Leverage Ratio*" means, with respect to the Issuer, at any date the ratio of (i) Consolidated Total Indebtedness (excluding (A) Qualified Non-Recourse Debt, (B) Development Expenses (whether or not included in Consolidated Total Indebtedness), (C) Discharged Indebtedness and (D) Escrowed Indebtedness) constituting Secured Indebtedness of the Issuer and its Restricted Subsidiaries that in each case is then secured by Liens on (x) the Collateral or (y) the "Collateral" (as defined in the CRC Secured Indenture) (in each case other than property or assets held in defeasance, escrow or similar trust or arrangement for the benefit of Indebtedness secured thereby), as of such date of calculation (determined on a consolidated basis in accordance with GAAP) less the amount of cash and Cash Equivalents in excess of any Restricted Cash held by the Issuer and its Restricted Subsidiaries as of such date of determination to (ii) EBITDA of the Issuer for the four full fiscal quarters for which

internal financial statements are available immediately preceding such date on which such additional Indebtedness is Incurred. In the event that the Issuer or any Restricted Subsidiary Incurs, repays, defeases, discharges, repurchases or redeems any Indebtedness subsequent to the commencement of the period for which the Total Secured Indebtedness Leverage Ratio is being calculated but on or prior to the event for which the calculation of the Total Secured Indebtedness Leverage Ratio is made (the "*Total Secured Leverage Calculation Date*"), then the Total Secured Indebtedness Leverage Ratio shall be calculated giving pro forma effect to such Incurrence, repayment, defeasance, discharge, repurchase or redemption of Indebtedness as if the same had occurred at the beginning of the applicable four-quarter period; *provided* that the Issuer may elect, pursuant to an Officer's Certificate delivered to the Notes Trustee, to treat all or any portion of the commitment under any Indebtedness as being Incurred at such time, in which case any subsequent Incurrence of Indebtedness under such commitment shall not be deemed, for purposes of this calculation, to be an Incurrence at such subsequent time.

For purposes of making the computation referred to above, Investments, acquisitions, dividends and distributions, dispositions, mergers, amalgamations, consolidations and discontinued operations (as determined in accordance with GAAP), in each case with respect to an operating unit of a business, any execution of a Gaming Lease, any amendment, modification, termination or waiver to any provision of any Master Lease or Gaming Lease, any capital expenditure, construction, repair, replacement, improvement, development, Expansion Capital Expenditure or Development Project and restructurings, operating improvements, or cost savings initiatives or similar initiatives of the business that the Issuer or any Restricted Subsidiary has determined to make and/or made prior to or during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Total Secured Leverage Calculation Date shall be calculated on a pro forma basis assuming that all such Investments, acquisitions, dividends and distributions, dispositions, mergers, amalgamations, consolidations, discontinued operations, execution of a Gaming Lease, amendment, modification, termination or waiver to any provision of any Master Lease or Gaming Lease, any capital expenditure, construction, repair, replacement, improvement, development, Expansion Capital Expenditure or Development Project and other restructurings, operating improvements, or cost savings initiatives or similar initiatives (which shall include cost savings resulting from head count reduction, closure of facilities and operational improvements and other cost savings) of the business (and the change of any associated Indebtedness and the change in EBITDA resulting therefrom) had occurred on the first day of the four-quarter reference period. If since the beginning of such period any Person that subsequently became a Restricted Subsidiary or was merged with or into the Issuer or any Restricted Subsidiary since the beginning of such period shall have made any Investment, acquisition, dividend or distribution, disposition, merger, consolidation, amalgamation, discontinued operation, execution of a Gaming Lease, any amendment, modification, termination or waiver to any provision of any Master Lease or Gaming Lease, any capital expenditure, construction, repair, replacement, improvement, development, Expansion Capital Expenditure or Development Project or restructurings, operating improvements, or cost savings initiatives or similar initiatives of the business, in each case with respect to an operating unit of a business, that would have required adjustment pursuant to this definition, then the Total Secured Indebtedness Leverage Ratio shall be calculated giving pro forma effect thereto for such period as if such Investment, acquisition, dividend or distribution, disposition, discontinued operation, merger, amalgamation, consolidation, execution of a Gaming Lease, any amendment, modification, termination or waiver to any provision of any Master Lease or Gaming Lease, any capital expenditure, construction, repair, replacement, improvement, development, Expansion Capital Expenditure or Development Project or restructurings, operating improvements, or cost savings initiatives or similar initiatives (which shall include cost savings resulting from head count reduction, closure of facilities and operational improvements and other cost savings) of the business had occurred at the beginning of the applicable four-quarter period. For purposes of making the computation referred to above, with respect to each New Project that commences operations and records not less than one full fiscal quarter's operations during the four-quarter reference period, the operating results of such New Project (for each full fiscal quarter completed) will be annualized on a straight-line basis during such period. If since the beginning of such period any Restricted Subsidiary is designated an Unrestricted Subsidiary or any Unrestricted Subsidiary is designated a Restricted Subsidiary, then the Total Secured Indebtedness Leverage Ratio shall be calculated giving pro forma effect thereto for such period as if such designation had occurred at the beginning of the applicable four-quarter period.

For purposes of this definition, whenever pro forma effect is to be given to any event, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Issuer. Any such pro forma calculation of this definition may also include (i) adjustments appropriate, in the reasonable good faith determination of the Issuer, to reflect operating expense reductions and other operating improvements, synergies or

cost savings reasonably expected to result from the applicable event and any other relevant event that occurred prior to or during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Total Secured Leverage Calculation Date (including, to the extent applicable, from the Transactions) and (ii) any adjustments of the type used in connection with the calculation of "Adjusted EBITDA" as set forth in this Offering Memorandum.

For purposes of this definition, any amount in a currency other than U.S. dollars will be converted to U.S. dollars either based on (1) the average exchange rate for such currency for the most recent twelve month period immediately prior to the date of determination in a manner consistent with that used in calculating EBITDA for the applicable period or (2) the exchange ratio used in the applicable financial statements.

"*Transactions*" means, collectively, (a) the execution, delivery and performance of the Indenture and the sale and issuance of the Notes; (b) execution, delivery and performance of the CEI Credit Agreement Amendment and the borrowings and other extensions of credit in connection therewith; (c) the repurchase or redemption of all of the 2025 Secured Notes with the proceeds from this offering of the Notes and the borrowings under the CEI Credit Agreement Amendment; (d) the creation or reaffirmation of the Liens pursuant to the Security Documents; and (e) the payment of all fees and expenses in connection therewith to be paid on, prior or subsequent to the Issue Date.

"*Treasury Rate*" means, as of the applicable redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H. 15 (519) that has become publicly available at least two Business Days prior to such redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from such redemption date to , 2027; *provided*, *however*, that if the period from such redemption date to , 2027 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"*Uniform Commercial Code*" means the New York Uniform Commercial Code as in effect from time to time.

"*Undeveloped Land*" shall mean (i) all undeveloped land existing on or acquired after the Issue Date and (ii) any operating property of the Issuer or any Subsidiary that is subject to a casualty event that results in such property ceasing to be operational.

"*Unrestricted Subsidiary*" means:

(1) any Subsidiary of the Issuer that at the time of determination shall be designated an Unrestricted Subsidiary by the Board of Directors of the Issuer in the manner provided below; and

(2) any Subsidiary of an Unrestricted Subsidiary (including after any such subsidiary ceases to be a subsidiary of an Unrestricted Subsidiary).

The Issuer may designate any Subsidiary of the Issuer (including any newly acquired or newly formed Subsidiary of the Issuer) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Equity Interests of, or owns or holds any Lien on any property of, the Issuer or any other Subsidiary of the Issuer that is not a Subsidiary of the Subsidiary to be so designated, in each case at the time of such designation; *provided*, *however*, that either:

(a) the Subsidiary to be so designated has total consolidated assets of $1,000 or less; or

(b) if such Subsidiary has consolidated assets greater than $1,000, then such designation would be permitted under the covenant described under "*—Certain Covenants—Limitation on Restricted Payments*."

The Issuer may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided*, *however*, that immediately after giving effect to such designation:

(x) (1) the Issuer could Incur $1.00 of additional Indebtedness pursuant to the Fixed Charge

Coverage Ratio test described under the first paragraph of "*—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*," or (2) the Fixed Charge Coverage Ratio for the Issuer and its Restricted Subsidiaries would be equal to or greater than such ratio for the Issuer and its Restricted Subsidiaries immediately prior to such designation, in each case on a pro forma basis taking into account such designation; and

(y) no Event of Default shall have occurred and be continuing.

Any such designation by the Issuer shall be evidenced to the Notes Trustee by promptly delivering to the Notes Trustee a copy of the resolution of the Board of Directors or any committee thereof giving effect to such designation and an Officer's Certificate certifying that such designation complied with the foregoing provisions.

"*U.S. Government Obligations*" means securities that are:

(1) direct obligations of the United States of America for the timely payment of which its full faith and credit is pledged; or

(2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America, the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in each case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act) as custodian with respect to any such U.S. Government Obligations or a specific payment of principal of or interest on any such U.S. Government Obligations held by such custodian for the account of the holder of such depository receipt; *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligations or the specific payment of principal of or interest on the U.S. Government Obligations evidenced by such depository receipt.

"*Vessel*" means a ship which is documented with the United States Coast Guard National Vessel Documentation Center together with the fixtures and equipment located thereon.

"*Weighted Average Life to Maturity*" means, when applied to any Indebtedness or Disqualified Stock or Preferred Stock, as the case may be, at any date, the quotient obtained by dividing (1) the sum of the products of the number of years from the date of determination to the date of each successive scheduled principal payment of such Indebtedness or redemption or similar payment with respect to such Disqualified Stock or Preferred Stock multiplied by the amount of such payment, by (2) the sum of all such payments.

"*Wholly Owned Restricted Subsidiary*" is any Wholly Owned Subsidiary that is a Restricted Subsidiary.

"*Wholly Owned Subsidiary*" of any Person means a Subsidiary of such Person 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares or shares required to be held by Foreign Subsidiaries) shall at the time be owned by such Person or by one or more Wholly Owned Subsidiaries of such Person.

"*WSOP Rio Agreements*" means any circuit event agreements, tournament rights agreements, trademark license agreements, marketing and promotion agreements and similar agreements among CEC and certain of its Affiliates as may be in effect from time to time in connection with the World Series of Poker, on substantially similar terms to those in effect prior to September 1, 2017 or on such other terms as the Issuer reasonably believes to reflect then current market terms for such agreements.

BOOK ENTRY; DELIVERY AND FORM

The certificates representing the Notes will be issued in fully registered form without interest coupons. Notes sold in reliance on Rule 144A under the Securities Act initially will be represented by permanent global notes in fully registered form without interest coupons (each, a "Restricted Global Note") and will be deposited with the Notes Trustee as a custodian for the DTC, as depositary, and registered in the name of a nominee of such depositary.

Notes sold in offshore transactions in reliance on Regulation S under the Securities Act initially will be represented by temporary global notes in fully registered form without interest coupons (each, a "Temporary Regulation S Global Note") and will be deposited with the Notes Trustee as custodian for DTC, as depositary, and registered in the name of a nominee of such depositary. Prior to the 40th day after the later of the commencement of this offering of the Notes and the closing of this offering of the Notes (such period through and including such 40th day, the "distribution compliance period"), a beneficial interest in a Temporary Regulation S Global Note may be held only through Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear"), and Clearstream Banking, *société anonyme* ("Clearstream") (as indirect participants in DTC), unless transferred to a person that takes delivery through a Restricted Global Note in accordance with the certification requirements described below. Each Temporary Regulation S Global Note will be exchangeable for a single permanent global note (each, a "Permanent Regulation S Global Note" and, together with the applicable Temporary Regulation S Global Note, a "Regulation S Global Note" and together with the Restricted Global Notes, the "Global Notes") after the expiration of the distribution compliance period and the certification required by Regulation S. Prior to such time, a beneficial interest in a Temporary Regulation S Global Note may be transferred to a person who takes delivery in the form of an interest in a Restricted Global Note only upon receipt by the Notes Trustee of a written certification from the transferor to the effect that such transfer is being made to a person whom the transferor reasonably believes is a qualified institutional buyer (a "QIB"), in a transaction meeting the requirements of Rule 144A. Beneficial interests in a Restricted Global Note may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Note whether before, on or after such time, only upon receipt by the Notes Trustee of a written certification to the effect that such transfer is being made in accordance with Regulation S.

The Global Notes (and any Notes issued in exchange therefor) will be subject to certain restrictions on transfer set forth therein and in the Indenture and will bear the legend regarding such restrictions set forth under the heading "*Transfer Restrictions*" herein. QIBs or non-U.S. purchasers may elect to take a Certificated Security (as defined herein under "*Certificated Securities*") instead of holding their interests through the Global Notes, which certificated notes will be ineligible to trade through DTC (collectively referred to herein as the "Non-Global Purchasers") only in the limited circumstances described below. Upon the transfer to a QIB of any Certificated Security initially issued to a Non-Global Purchaser, such Certificated Security will, unless the transferee requests otherwise or the Global Notes have previously been exchanged in whole for Certificated Securities, be exchanged for an interest in the Global Notes. For a description of the restrictions on transfer of Certificated Securities and any interest in the Global Notes, see "*Transfer Restrictions*."

The Global Notes

We expect that, pursuant to procedures established by DTC, (i) upon the issuance of the Global Notes, DTC or its custodian will credit, on its internal system, the principal amount at maturity of the individual beneficial interests represented by such Global Notes to the respective accounts of persons who have accounts with such depositary ("participants") and (ii) ownership of beneficial interests in the Global Notes will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of participants) and the records of participants (with respect to interests of persons other than participants). Such accounts initially will be designated by or on behalf of the initial purchasers and ownership of beneficial interests in the Global Notes will be limited to participants or persons who hold interests through participants. Holders of the Notes may hold their interests in the Global Notes directly through DTC if they are participants in such system, or indirectly through organizations that are participants in such system.

So long as DTC or its nominee is the registered owner or holder of the Notes, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Global Notes for all purposes under the Indenture. No beneficial owner of an interest in the Global Notes will be able to transfer that interest except in accordance with DTC's procedures, in addition to those provided for under the Indenture with respect to the Notes.

Payments of the principal of, and premium (if any) and interest (including additional interest, if any) on, the Global Notes will be made to DTC or its nominee, as the case may be, as the registered owner thereof. None of us, the Notes Trustee or any paying agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interest.

We expect that DTC or its nominee, upon receipt of any payment of principal of, and premium (if any) and interest (including additional interest, if any) on the Global Notes, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the Global Notes as shown on the records of DTC or its nominee. We also expect that payments by participants to owners of beneficial interests in the Global Notes held through such participants will be governed by standing instructions and customary practice, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such participants.

Transfers between participants in DTC will be effected in the ordinary way through DTC's same-day funds system in accordance with DTC rules and will be settled in same-day funds. If a holder requires physical delivery of a Certificated Security, such holder must transfer its interest in a Global Note, in accordance with the normal procedures of DTC and with the procedures set forth in the Indenture.

DTC has advised us that it will take any action permitted to be taken by a holder of Notes (including the presentation of Notes for exchange as described below) only at the direction of one or more participants to whose account the DTC interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. However, if there is an event of default under the Indenture, DTC will exchange the Global Notes for Certificated Securities, which it will distribute to its participants and which will be legended as set forth under the heading "*Transfer Restrictions*."

DTC has advised us as follows: DTC is a limited-purpose trust company organized under New York banking law, a "banking organization" within the meaning of the New York banking law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended, (the "Exchange Act"). DTC holds and provides asset servicing for issues of U.S. and non-U.S. equity, corporate and municipal debt issues that participants deposit with DTC. DTC also facilitates the post-trade settlement among participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between participants' accounts. This eliminates the need for physical movement of securities certificates. Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Access to the DTC system is also available to indirect participants such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a participant, either directly or indirectly.

Although DTC has agreed to the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants of DTC, it is under no obligation to perform such procedures, and such procedures may be discontinued at any time. None of us, the Notes Trustee or any paying agent will have any responsibility for the performance by DTC or its participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Certificated Securities

A Global Note is exchangeable for certificated notes in fully registered form without interest coupons ("Certificated Securities") only in the following limited circumstances:

- DTC notifies us that it is unwilling or unable to continue as depositary for the Global Note and we fail to appoint a successor depositary within 90 days of such notice; or
- there shall have occurred and be continuing an event of default with respect to such Notes under the Indenture and DTC shall have requested the issuance of Certificated Securities.

Certificated Securities may not be exchanged for beneficial interests in any Global Note unless the transferor first delivers to the Notes Trustee a written certificate (in the form provided in the Indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such Notes. See "*Transfer Restrictions*." In no event shall a Temporary Regulation S Global Note be exchanged for Certificated Securities prior to (a) the expiration of the distribution compliance period and (b) the receipt of any certificates required under the provisions of Regulation S.

The laws of some states require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer the Notes will be limited to such extent.

Exchanges Between Regulation S Notes and Restricted Global Notes

Prior to the expiration of the distribution compliance period, beneficial interests in a Temporary Regulation S Global Note may be exchanged for beneficial interests in a Restricted Global Note only if:

(1) such exchange occurs in connection with a transfer of the Notes pursuant to Rule 144A; and

(2) the transferor first delivers to the Notes Trustee a written certificate (in the form provided in the Indenture) stating that the Notes are being transferred to a person:

(a) who the transferor reasonably believes to be a qualified institutional buyer within the meaning of Rule 144A;

(b) purchasing for its own account or the account of a qualified institutional buyer in a transaction meeting the requirements of Rule 144A; and

(c) in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

Beneficial interests in a Restricted Global Note may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Note, whether before or after the expiration of the distribution compliance period, only if the transferor first delivers to the Notes Trustee a written certificate (in the form provided in the Indenture) stating that such transfer is being made in accordance with Rule 903 or 904 of Regulation S or Rule 144 (if available) and that, if such transfer occurs prior to the expiration of the distribution compliance period, the interest transferred will be held immediately thereafter through Euroclear or Clearstream.

Transfers involving exchanges of beneficial interests between the Regulation S Global Notes and the Restricted Global Notes will be effected by DTC by means of an instruction originated by the Notes Trustee through the DTC deposit/withdrawal at custodian system. Accordingly, in connection with any such transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of the applicable Regulation S Global Note and a corresponding increase in the principal amount of the applicable Restricted Global Note or vice versa, as applicable. Any beneficial interest in one of the Global Notes that is transferred to a person who takes delivery in the form of an interest in the other Global Note will, upon transfer, cease to be an interest in such Global Note and will become an interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Note for so long as it remains such an interest. The policies and practices of DTC may prohibit transfers of beneficial interests in the Temporary Regulation S Global Note prior to the expiration of the distribution compliance period.

Certification by Holders of the Temporary Regulation S Global Notes

A holder of a beneficial interest in the Temporary Regulation S Global Notes must provide Euroclear or Clearstream, as the case may be, with a certificate in the form required by the Indenture certifying that the beneficial owner of the interest in the Temporary Regulation S Global Note is either a non-U.S. person or a U.S. person that has purchased such interest in a transaction that is exempt from the registration requirements under the Securities Act, and Euroclear or Clearstream, as the case may be, must provide to the Notes Trustee (or the paying agent if other than the Notes Trustee) a certificate in the form required by the Indenture, prior to any exchange of such beneficial interest for a beneficial interest in the Permanent Regulation S Global Notes.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following discussion is a summary of certain U.S. federal income tax considerations relevant to the purchase, ownership and disposition of the Notes issued pursuant to this offering of the Notes, but does not purport to be a complete analysis of all potential U.S. federal income tax effects. The effects of U.S. federal tax laws other than U.S. federal income tax laws, such as estate and gift tax laws, and any applicable state, local or foreign tax laws are not discussed. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the "Code"), Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the U.S. Internal Revenue Service (the "IRS"), in each case in effect as of the date hereof. These authorities may change or be subject to differing interpretations. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a holder of the Notes. We have not sought and will not seek any rulings from the IRS regarding the matters discussed below. There can be no assurance that the IRS or a court will not take a contrary position to that discussed below regarding the U.S. federal income tax consequences of the purchase, ownership and disposition of the Notes.

This discussion is limited to Notes that are held as "capital assets" within the meaning of Section 1221 of the Code (generally, property held for investment). In addition, this discussion is limited to Notes that are purchased for cash at original issue and at their "issue price" within the meaning of Section 1273 of the Code (*i.e.*, the first price at which a substantial amount of the Notes is sold for cash (excluding sales to bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers)). This discussion does not address all U.S. federal income tax consequences relevant to a holder's particular circumstances, including the impact of the Medicare contribution tax on net investment income. In addition, it does not address consequences relevant to holders subject to special rules, including, without limitation:

- U.S. expatriates and former citizens or long-term residents of the United States;
- persons subject to the alternative minimum tax;
- U.S. Holders (as defined herein) whose functional currency is not the U.S. dollar;
- persons holding the Notes as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies and other financial institutions;
- real estate investment trusts or regulated investment companies;
- brokers, dealers or traders in securities;
- "controlled foreign corporations," "passive foreign investment companies" and corporations that accumulate earnings to avoid U.S. federal income tax;
- entities or arrangements treated as partnerships or S corporations for U.S. federal income tax purposes (and investors therein);
- tax-exempt entities or governmental entities;
- persons deemed to sell the Notes under the constructive sale provisions of the Code;
- taxpayers required to accelerate the recognition of any item of gross income with respect to a Note as a result of such income being taken into account in an applicable financial statement; and
- holders of our 2025 Secured Notes or other notes or indebtedness of ours or our subsidiaries that are redeemed or repurchased with the proceeds of this offering.

If an entity or an arrangement treated as a partnership for U.S. federal income tax purposes holds the Notes, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership

and certain determinations made at the partner level. Accordingly, partnerships considering an investment in the Notes and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them of the purchase, ownership and disposition of the Notes.

THIS DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE.

INVESTORS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE NOTES ARISING UNDER OTHER U.S. FEDERAL TAX LAWS (INCLUDING ESTATE AND GIFT TAX LAWS), UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY.

Tax Considerations Applicable to U.S. Holders

Definition of a U.S. Holder

For purposes of this discussion, a "U.S. Holder" is a beneficial owner of a Note that, for U.S. federal income tax purposes, is or is treated as:

- an individual who is a citizen or resident of the United States;
- a corporation created or organized under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust that (1) is subject to the primary supervision of a U.S. court and the control of one or more "United States persons" (within the meaning of Section 7701(a)(30) of the Code) or (2) has a valid election in effect to be treated as a United States person.

Stated Interest

Stated interest on a Note generally will be taxable to a U.S. Holder as ordinary income at the time such interest is received or accrued, in accordance with such U.S. Holder's regular method of tax accounting for U.S. federal income tax purposes.

Sale, Exchange, Redemption, Retirement or Other Taxable Disposition

A U.S. Holder will recognize gain or loss on a sale, exchange, redemption, retirement or other taxable disposition of a Note. The amount of such gain or loss will generally equal the difference, if any, between the amount received for the Note in cash or other property valued at fair market value (less any amounts attributable to any accrued but unpaid stated interest, which will be taxable as interest to the extent not previously included in income) and such U.S. Holder's adjusted tax basis in the Note. A U.S. Holder's adjusted tax basis in a Note generally will be equal to the amount the U.S. Holder paid for the Note. Any such gain or loss will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder has held the Note for more than one year at the time of such disposition. Otherwise, such gain or loss will be short-term capital gain or loss. Long-term capital gains recognized by non-corporate U.S. Holders, including individuals, generally will be taxable at a reduced rate. The deductibility of capital losses is subject to limitations.

Information Reporting and Backup Withholding

A U.S. Holder may be subject to information reporting and backup withholding when such holder receives interest payments on a Note or receives proceeds from the sale or other taxable disposition (including a redemption or retirement) of a Note. Certain U.S. Holders are exempt from backup withholding, including corporations and certain tax-exempt organizations. A U.S. Holder will be subject to backup withholding (currently at a rate of 24%) in respect of the foregoing amounts if such holder is not otherwise exempt and:

- the holder fails to furnish the holder's taxpayer identification number ("TIN"), which for an individual is ordinarily his or her social security number;
- the holder furnishes an incorrect TIN;
- the applicable withholding agent is notified by the IRS that the holder has become subject to backup withholding because such holder previously failed to properly report payments of interest or dividends; or
- the holder fails to certify under penalties of perjury that the holder has furnished a correct TIN and that the IRS has not notified the holder that the holder is subject to backup withholding.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a U.S. Holder's U.S. federal income tax liability, *provided* the required information is timely furnished to the IRS. U.S. Holders should consult their tax advisors regarding their qualification for an exemption from backup withholding and the procedures for obtaining such an exemption.

Tax Considerations Applicable to Non-U.S. Holders

Definition of a Non-U.S. Holder

For purposes of this discussion, a "Non-U.S. Holder" is a beneficial owner of a Note that, for U.S. federal income tax purposes, is or is treated as an individual, corporation, estate or trust that is not a U.S. Holder.

Interest

Subject to the discussions of backup withholding and FATCA (as defined herein) below, interest paid on a Note to a Non-U.S. Holder that is not effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States generally will not be subject to U.S. federal income tax or withholding tax, *provided* that:

- the Non-U.S. Holder does not, actually or constructively, own stock possessing 10% or more of the total combined voting power of all classes of our voting stock;
- the Non-U.S. Holder is not a controlled foreign corporation related to us through actual or constructive stock ownership; and
- either (1) the Non-U.S. Holder certifies in a statement provided to the applicable withholding agent under penalties of perjury that it is not a United States person and provides its name and address; (2) a securities clearing organization, bank or other financial institution that holds customers' securities in the ordinary course of its trade or business and holds the Note on behalf of the Non-U.S. Holder certifies to the applicable withholding agent under penalties of perjury that it, or a financial institution between it and the Non-U.S. Holder, has received from the Non-U.S. Holder a statement under penalties of perjury that such holder is not a United States person and provides a copy of such statement to the applicable withholding agent; or (3) the Non-U.S. Holder holds its Note directly through a "qualified intermediary" (within the meaning of applicable Treasury Regulations) and certain conditions are satisfied.

If a Non-U.S. Holder does not satisfy the requirements above, such Non-U.S. Holder will generally be subject to U.S. federal withholding tax on such interest at a 30% rate, unless the Non-U.S. Holder is entitled to a reduction in or an exemption from withholding on such interest as a result of an applicable income tax treaty. To claim such entitlement, the Non-U.S. Holder must provide the applicable withholding agent with a properly executed IRS Form W-8BEN or W-8BEN-E (or other applicable documentation) claiming a reduction in or exemption from withholding tax under the benefit of an applicable income tax treaty.

Unless an applicable income tax treaty provides otherwise, if interest paid to a Non-U.S. Holder is effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States, the Non-U.S. Holder will be exempt from the U.S. federal withholding tax described above. To claim the exemption, the Non-U.S. Holder

generally must furnish to the applicable withholding agent a valid IRS Form W-8ECI (or other applicable documentation), certifying that interest paid on a Note is not subject to withholding tax because it is effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the United States.

Unless an applicable income tax treaty provides otherwise, any effectively connected interest generally will be subject to U.S. federal income tax on a net income basis at the regular rates in the same manner as if the Non-U.S. Holder were a U.S. Holder. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on such holder's effectively connected earnings and profits, as adjusted for certain items.

The certifications described above must be provided to the applicable withholding agent prior to the payment of interest and must be updated periodically. Non-U.S. Holders that do not timely provide the applicable withholding agent with the required certification, but that qualify for a reduced rate under an applicable income tax treaty, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. Holders should consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

Sale, Exchange, Redemption, Retirement or Other Taxable Disposition

Subject to the discussions of backup withholding and FATCA below, a Non-U.S. Holder will not be subject to U.S. federal income tax on any gain recognized upon the sale, exchange, redemption, retirement or other taxable disposition of a Note (such amount excludes any amount allocable to accrued and unpaid interest, which generally will be treated as described above in "*Tax Considerations Applicable to Non-U.S. Holders—Interest*") unless:

- the gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States; or
- the Non-U.S. Holder is an individual present in the United States for 183 days or more during the taxable year of the disposition and certain other requirements are met.

Unless an applicable income tax treaty provides otherwise, any gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis at the regular rates in the same manner as if the Non-U.S. Holder were a U.S. Holder. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on such holder's effectively connected earnings and profits, as adjusted for certain items.

Any gain described in the second bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty), and may be offset by certain U.S. source capital losses of the Non-U.S. Holder, if any, *provided* the Non-U.S. Holder has timely filed U.S. federal income tax returns with respect to such losses.

Non-U.S. Holders should consult their tax advisors regarding any applicable income tax treaties that may provide for different rules.

Information Reporting and Backup Withholding

Payments of interest to a Non-U.S. Holder generally will not be subject to backup withholding (currently at a rate of 24%), *provided* the statement described above under "*Tax Considerations Applicable to Non-U.S. Holders —Interest*" is duly provided by such holder or such holder otherwise establishes an exemption. However, information returns are required to be filed with the IRS with respect to any interest paid to such Non-U.S. Holder, regardless of whether any tax was actually withheld. In addition, proceeds of the sale or other taxable disposition (including a retirement or redemption) of a Note paid to or through the U.S. office of a broker or the non-U.S. office of a broker that is a U.S. person, or a non-U.S. person with specified connections to the United States, generally will not be subject to backup withholding or information reporting if the applicable withholding agent receives the statement described above, or the holder otherwise establishes an exemption. Proceeds of the sale or other taxable disposition (including a retirement or redemption) of a Note paid to or through a non-U.S. office of a broker that is a non-U.S. person without specified connections to the United States generally will not be subject to backup withholding or information reporting.

Copies of information returns that are filed with the IRS may also be made available under the provisions of an applicable treaty or agreement to the tax authorities of the country in which the Non-U.S. Holder resides or is established.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability, if any, *provided* the required information is timely furnished to the IRS. Non-U.S. Holders should consult their tax advisors regarding the applicability of these rules to their particular circumstances.

Additional Withholding Tax on Payments Made to Foreign Accounts

Withholding taxes may be imposed under Sections 1471 to 1474 of the Code (such Sections commonly referred to as the Foreign Account Tax Compliance Act, or "FATCA") on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities (whether such institutions or entities are the beneficial owners or intermediaries). Specifically, a 30% withholding tax may be imposed on payments of interest on, or (subject to the proposed Treasury Regulations discussed below) gross proceeds from the sale or other taxable disposition (including a retirement or redemption) of, a Note paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code), unless (1) the foreign financial institution undertakes certain diligence and reporting obligations, (2) the non-financial foreign entity either certifies it does not have any "substantial United States owners" (as defined in the Code) or furnishes identifying information regarding each substantial United States owner or (3) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in clause (1) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified United States persons" or "United States owned foreign entities" (each as defined in the Code), annually report certain information about such accounts, and withhold 30% on certain payments to non-compliant foreign financial institutions and certain other account holders. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

Under the applicable Treasury Regulations and administrative guidance, withholding under FATCA generally applies to payments of interest on a Note. While withholding under FATCA also would have applied to payments of gross proceeds from the sale or other taxable disposition (including a retirement or redemption) of a Note on or after January 1, 2019, proposed Treasury Regulations eliminate FATCA withholding on payments of gross proceeds entirely. Taxpayers generally may rely on these proposed Treasury Regulations until final Treasury Regulations are issued.

Prospective investors should consult their tax advisors regarding the potential application of withholding under FATCA to their investment in the Notes.

CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase and holding of the Notes by employee benefit plans that are subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the Code, entities whose underlying assets are considered to include "plan assets" (within the meaning of 29 C.F.R. Section 2510.3-101 (as modified by Section 3(42) of ERISA)) of the foregoing, and governmental plans, certain church plans and non-U.S. plans that are subject to federal, state, local, non-U.S. or other laws or regulations that are substantially similar to the foregoing provisions of ERISA or the Code ("Similar Law") and entities whose underlying assets are considered to include the assets of such plans (collectively, "Plans").

General Fiduciary Matters

ERISA imposes certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA (an "ERISA Plan") and ERISA and the Code prohibit certain transactions involving the assets of an ERISA Plan or a Plan that is not subject to ERISA but is subject to Section 4975 of the Code (together with ERISA Plans, "Covered Plans"). Under ERISA, any person who exercises any discretionary authority, responsibility or control over the administration of an ERISA Plan or the management or disposition of the assets of an ERISA Plan, or who renders investment advice to an ERISA Plan for a fee or other compensation, is generally considered to be a fiduciary of the ERISA Plan.

In considering an investment in the Notes of a portion of the assets of any Plan, a Plan fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Law relating to the fiduciary's duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable Similar Laws.

Each Plan should consider the fact that none of us, the initial purchasers, nor any of our or their respective affiliates (the "Transaction Parties") is acting, or will act, as a fiduciary to any Plan with respect to the decision to purchase or hold the Notes pursuant to this offering and is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, with respect to such decision. All communications, correspondence and materials from the Transaction Parties with respect to the Notes are intended to be general in nature and are not directed at any specific purchaser of the Notes, and do not constitute advice regarding the advisability of investment in the Notes for any specific purchaser. The decision to purchase and hold the Notes must be made solely by each prospective Plan purchaser on an arm's length basis.

Prohibited Transaction Issues

Section 406 of ERISA and Section 4975 of the Code prohibit Covered Plans from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest," within the meaning of Section 3(14) of ERISA, or "disqualified persons," within the meaning of Section 4975 of the Code, unless an exemption is available. A party in interest or disqualified person who engaged in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. In addition, the fiduciary of the Covered Plan that engaged in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and the Code.

Plans that are governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA), while not subject to the fiduciary responsibility or prohibited transaction provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to Similar Law.

The acquisition and/or holding of the Notes by a Covered Plan with respect to which we, a Subsidiary Guarantor, an initial purchaser or any of our or their respective affiliates are considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the U.S. Department of Labor has issued prohibited transaction class exemptions ("PTCEs") that may apply to the acquisition and/or holding of the Notes. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent

qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers, although there can be no assurance that all of the conditions of any such exemptions will be satisfied. In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide relief from the prohibited transaction provisions of ERISA and Section 4975 of the Code, respectively, for the purchase and sale of securities, *provided* that neither the issuer of the securities nor any of its affiliates (directly or indirectly) have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any Covered Plan involved in the transaction and *provided*, *further*, that the Covered Plan receives no less, and pays no more, than adequate consideration in connection with the transaction.

There can be no assurance that all of the conditions of any such exemptions will be satisfied, that any class exemption or any other exemption will be available with respect to any particular transaction, or that, if an exemption is available, it will cover all aspects of any particular transaction involving the Notes. Because of the foregoing, the Notes should not be purchased or held by any person investing "plan assets" of any Plan, unless such purchase and holding will not constitute a non-exempt prohibited transaction under ERISA or the Code or a similar violation of any applicable Similar Laws.

Representation

To address the above concerns, by acceptance of a Note, each purchaser and subsequent transferee will be deemed to have represented and warranted that either (i) no portion of the assets used by such purchaser or transferee to acquire or hold the Notes or an interest therein constitutes assets of any Plan or (ii) (A) the acquisition and holding of the Notes or an interest therein by such purchaser or transferee will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a similar violation of any applicable Similar Law and (B) none of the Transaction Parties is acting as a fiduciary, or undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, to such purchaser or transferee with respect to the decision to invest in the Notes or an interest in the Notes pursuant to the offering described in this Offering Memorandum.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing the Notes on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code and any Similar Laws to such investment and whether an exemption would be applicable to the purchase and holding of the Notes.

TRANSFER RESTRICTIONS

The Notes are subject to restrictions on transfer as summarized below. By purchasing Notes, you will be deemed to have made the following acknowledgments, representations to and agreements with us and the initial purchasers:

You acknowledge that:

- the Notes have not been registered under the Securities Act or any other securities laws and are being offered for resale in transactions that do not require registration under the Securities Act or any other securities laws; and

- unless so registered, the Notes may not be offered, sold or otherwise transferred except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable securities laws, and in each case in compliance with the conditions for transfer set forth below.

You represent that you are not an affiliate (as defined in Rule 144 under the Securities Act) of ours, that you are not acting on our behalf and that either:

- you are a qualified institutional buyer (as defined in Rule 144A under the Securities Act) and are purchasing the Notes for your own account or for the account of another qualified institutional buyer, and you are aware that the initial purchasers are selling the Notes to you in reliance on Rule 144A under the Securities Act; or

- you are not a U.S. person (as defined in Regulation S under the Securities Act) or purchasing for the account or benefit of a U.S. person, other than a distributor, and you are purchasing the Notes in an offshore transaction in accordance with Regulation S.

You acknowledge that neither we nor the initial purchasers nor any person representing us or the initial purchasers has made any representation to you with respect to us or this offering of the Notes, other than the information contained in this Offering Memorandum. You represent that you are relying only on this Offering Memorandum in making your investment decision with respect to the Notes. You agree that you have had access to such financial and other information concerning us and the Notes as you have deemed necessary in connection with your decision to purchase the Notes, including an opportunity to ask questions of and request information from us.

You represent that you are purchasing the Notes for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent, in each case not with a view to, or for offer or sale in connection with, any distribution of the Notes in violation of the Securities Act, subject to any requirement of law that the disposition of your property or the property of that investor account or accounts be at all times within your or their control and subject to your or their ability to resell the Notes pursuant to Rule 144A under the Securities Act or any other available exemption from registration under the Securities Act. You agree on your own behalf and on behalf of any investor account for which you are purchasing the Notes, and each subsequent holder of the Notes by its acceptance of the Notes will agree, that until the end of the Resale Restriction Period (as defined herein), the Notes may be offered, sold or otherwise transferred only:

(1) to the Issuer;

(2) under a registration statement that has been declared effective under the Securities Act;

(3) for so long as the Notes are eligible for resale under Rule 144A under the Securities Act, to a person the seller reasonably believes is a qualified institutional buyer that is purchasing for its own account or for the account of another qualified institutional buyer and to whom notice is given that the transfer is being made in reliance on Rule 144A;

(4) through offers and sales to non-U.S. persons that occur outside the United States within the meaning of Regulation S under the Securities Act; or

(5) except as provided below, under any other available exemption from the registration requirements of the Securities Act; subject in each of the above cases to any requirement of law that the disposition of the seller's property or the property of an investor account or accounts be at all times within the seller or account's control.

Notwithstanding anything to the contrary, transfers in reliance on Rule 144 will not be permitted, even if allowed by such Rule.

You also acknowledge that:

- the above restrictions on resale will apply from the issue date until the date that is one year (or such longer period as is required to comply with the Securities Act) in the case of Rule 144A notes or 40 days (in the case of Regulation S notes) after the later of the issue date and the last date that we or any of our affiliates was the owner of the Notes or any predecessor of the Notes (the "Resale Restriction Period"), and will not apply after the applicable Resale Restriction Period ends;

- we and the Notes Trustee reserve the right to require in connection with any offer, sale or other transfer of Notes under clauses (4) and (5) above the delivery of an opinion of counsel, certifications and/or other information satisfactory to us and the Notes Trustee; and

- each Note will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS ONE YEAR (OR SUCH LONGER PERIOD AS IS REQUIRED TO COMPLY WITH THE SECURITIES ACT) IN THE CASE OF RULE 144A NOTES, AND 40 DAYS IN THE CASE OF REGULATION S NOTES AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY), ONLY (A) TO THE ISSUER, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT, (D) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (OTHER THAN RULE 144), SUBJECT TO THE ISSUER'S AND THE NOTES TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D) OR (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO THE ISSUER. THIS LEGEND WILL BE REMOVED UPON THE WRITTEN REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.

You represent that either (i) no portion of the assets used by you to acquire and hold the Notes (or any interest therein) constitutes assets of any employee benefit plan subject to Title I of ERISA, any plan, individual retirement account or other arrangement that is subject to Section 4975 of the Code or provisions under Similar Laws or any entity whose underlying assets are considered to include "plan assets" of such plans, accounts and arrangements or (ii) (A) the purchase and holding of the Notes (or any interest therein) by you will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or any similar violation under any applicable Similar Law and (B) none of the Transaction Parties is acting as a fiduciary, or undertaking to provide

impartial investment advice, or to give advice in a fiduciary capacity, to you with respect to the decision to invest in the Notes (or any interest therein) pursuant to the offering described in this Offering Memorandum.

You acknowledge that we, the initial purchasers and others will rely upon the truth and accuracy of the above acknowledgments, representations and agreements. You agree that if any of the acknowledgments, representations or agreements you are deemed to have made by your purchase of Notes is no longer accurate, you will promptly notify us and the initial purchasers. If you are purchasing any Notes as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each of those accounts and that you have full power to make the above acknowledgments, representations and agreements on behalf of each account.

PLAN OF DISTRIBUTION

Subject to the terms and conditions contained in the purchase agreement among us, the Subsidiary Guarantors and Deutsche Bank Securities Inc. and J.P. Morgan Securities LLC, as representatives of the several initial purchasers, we have agreed to sell to the initial purchasers, and the initial purchasers have agreed to purchase from us, the entire principal amount of the Notes.

The obligations of the initial purchasers under the purchase agreement, including their agreement to purchase the Notes from us, are several and not joint. The purchase agreement provides that the initial purchasers will purchase all of the Notes being sold pursuant to the purchase agreement if any of them are purchased.

The initial purchasers initially propose to offer the Notes for resale at the applicable issue price that appears on the cover page of this Offering Memorandum. After the initial offering, the initial purchasers may change the offering price and any other selling terms. The initial purchasers may offer and sell the Notes through certain of their affiliates.

In the purchase agreement, we have agreed that:

- We and the guarantors will not offer, sell, contract to sell, pledge or otherwise dispose of any of our debt securities (other than the Notes) for a period of 60 days after the date of this Offering Memorandum without the prior consent of Deutsche Bank Securities Inc. and J.P. Morgan Securities LLC.

- We will indemnify the initial purchasers against certain liabilities, including liabilities under the Securities Act, or contribute to payments that the initial purchasers may be required to make in respect of those liabilities.

The Notes have not been registered under the Securities Act or the securities laws of any other place. Accordingly, the Notes are subject to restrictions on resale and transfer as described under "*Notice to Investors*." In the purchase agreement, each initial purchaser has agreed that:

- The Notes may not be offered or sold within the United States or to U.S. persons except pursuant to an exemption from the registration requirements of the Securities Act or in transactions not subject to those registration requirements.

- During the initial distribution of the Notes, it will offer or sell Notes only to persons reasonably believed to be QIBs in compliance with Rule 144A and outside the United States in compliance with Regulation S under the Securities Act.

In addition, until 40 days following the commencement of this offering of the Notes, an offer or sale of the Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act unless the dealer makes the offer or sale in compliance with Rule 144A or another exemption from registration under the Securities Act.

Each purchaser of the Notes offered by this Offering Memorandum, in making its purchase, will be deemed to have made certain acknowledgements, representations and agreements as described under "*Transfer Restrictions*."

Notice to Prospective Investors in the European Economic Area

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA") For these purposes, (a) a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended or superseded, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation") and (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the

Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation. This Offering Memorandum has been prepared on the basis that any offer of Notes in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. This Offering Memorandum is not a prospectus for the purposes of the Prospectus Regulation.

The above selling restriction is in addition to any other selling restrictions set out below.

Notice to Prospective Investors in the United Kingdom

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "UK"). For these purposes, (a) a retail investor in the UK means a person who is one (or more) of (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended, "EUWA"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) No 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "UK Prospectus Regulation") and (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation. This Offering Memorandum has been prepared on the basis that any offer of Notes in the UK will be made pursuant to an exemption under the UK Prospectus Regulation and the FSMA from the requirement to publish a prospectus for offers of Notes. This Offering Memorandum is not a prospectus for the purposes of the UK Prospectus Regulation or the FSMA.

This Offering Memorandum is for distribution only to persons who (i) have professional experience in matters relating to investments and who qualify as investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This Offering Memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

Notice to Prospective Investors in Switzerland

This Offering Memorandum is not intended to constitute an offer or solicitation to purchase or invest in the Notes. The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("FinSA") and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Offering Memorandum nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and neither this Offering Memorandum nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Notice to Prospective Investors in the Dubai International Financial Centre

This document relates to an Exempt Offer in accordance with the Markets Rule 2012 of the Dubai Financial Services Authority ("DFSA"). This document is intended for distribution only to persons of a type specified in the Markets Rule 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Offering Memorandum nor taken steps to verify the information set forth herein and has no responsibility for this document. The securities to which this Offering Memorandum relate may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Offering Memorandum, you should consult an authorized financial advisor.

In relation to its use in the Dubai International Financial Centre (the "DIFC"), this document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

Notice to Prospective Investors in Hong Kong

This Offering Memorandum has not been approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong. The Notes may not be offered or sold in Hong Kong by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (the "SFO") and any rules made under that Ordinance; (b) in other circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong); or (c) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the Notes has been or may be issued, or has been or may be in the possession of, any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or intended to be disposed of only to persons outside Hong Kong or only to "professional investors," as defined in the SFO and any rules made under that Ordinance.

Notice to Prospective Investors in Japan

The Notes have not been, and will not be, registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the "FIEA"). Accordingly, the Notes may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (including any person resident in Japan or any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of the FIEA, and otherwise in compliance with any relevant laws and regulations of Japan.

Singapore Securities and Futures Act Product Classification

This Offering Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Offering Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes have not and may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA"), (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to compliance with conditions set forth in the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)), the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor;

then securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest in that trust will not be transferable for six months after that corporation or that trust has acquired the Notes under Section 275 of the SFA except:

(a) to an institutional investor under Section 274 of the SFA, or to a relevant person under Section 275(2) of the SFA, or any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where such transfer arises from an offer that is made on terms that such rights or interest are acquired at a consideration of not less than S$200,000 (or its equivalent in a foreign currency) for each transaction (whether such amount is to be paid for in cash or by exchange of securities or other assets);

(c) where no consideration is given for the transfer;

(d) where the transfer is by operation of law;

(e) as specified in Section 276(7) of the SFA; or

(f) as specified in Regulation 32.

Solely for the purposes of our obligations pursuant to Sections 309B(1)(a) and 309B(1)(c) of the SFA, we have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA), that the Notes are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Notice to Prospective Investors in Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Memorandum (including any amendment thereto) contains a misrepresentation, *provided* that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts ("NI 33-105"), the initial purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering of the Notes.

New Issue of Notes

The Notes are a new issue of securities, and there is currently no established trading market for the Notes. In addition, the Notes are subject to certain restrictions on resale and transfer as described under "*Notice to Investors*."

We do not intend to apply for the Notes to be listed on any securities exchange or to arrange for the Notes to be quoted on any quotation system. Certain of the initial purchasers have advised us that they intend to make a market in the Notes, but they are not obligated to do so. The initial purchasers may discontinue any market making in the Notes at any time in their sole discretion. Accordingly, we cannot assure you that a liquid trading market will develop for the Notes, that you will be able to sell your Notes at a particular time or that the prices that you receive when you sell will be favorable. If an active trading market for the Notes does not develop, the market price and liquidity of the Notes may be adversely affected. If the Notes are traded, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, our operating performance and financial condition, general economic conditions and other factors.

You should be aware that the laws and practices of certain countries require investors to pay stamp taxes and other charges in connection with purchases of securities.

We expect that delivery of the Notes will be made to investors on or about , 2024, which will be the business day following the date of this Offering Memorandum (such settlement being referred to as "T+ "). Under Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes on the date hereof or the next succeeding business days will be required, by virtue of the fact that the Notes initially settle in T+ , to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes on the date hereof or the next succeeding business days should consult their advisors.

Stabilization and Short Sales

In connection with this offering of the Notes, the initial purchasers may engage in overallotment, stabilizing transactions and syndicate covering transactions. Overallotment involves sales in excess of the offering size, which creates a short position for the initial purchasers. Stabilizing transactions involve bids to purchase the Notes in the open market for the purpose of pegging, fixing or maintaining the price of the Notes. Syndicate covering transactions involve purchasers of the Notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions and syndicate covering transactions may have the effect of preventing or retarding a decline in the market price of the Notes or cause the price of the Notes to be higher than it would otherwise be in the absence of those transactions. If the initial purchasers engage in stabilizing or syndicate covering transactions, they may discontinue them at any time.

Neither we nor any of the initial purchasers make any representation or prediction as to the direction or magnitude of any effect that the transaction described above may have on the price of the Notes. In addition, neither we nor any of the initial purchasers make any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Certain Relationships

The initial purchasers and their respective affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the initial purchasers and their affiliates have engaged, and may in the future engage, in investment banking, commercial banking and other financial advisory and commercial dealings with us and our associates, for which they received or may in the future receive customary fees and expense reimbursements.

JPMorgan Chase Bank, N.A., an affiliate of J.P. Morgan Securities LLC, acts as the administrative agent under the CEI Credit Agreement, and affiliates of certain of the initial purchasers act as arrangers and/or lenders under the CEI Credit Facilities, and, in each case, such initial purchasers and/or such affiliates have received and will continue to receive customary fees and commissions in connection therewith. In addition, certain of the initial purchasers and/or their respective affiliates are parties to the Engagement Letter and will be lenders and/or arrangers under the CEI Credit Agreement Amendment, and, in each case, such initial purchasers and/or such affiliates have received or will receive customary fees and commissions in connection therewith, as applicable.

U.S. Bancorp Investments, Inc., one of the initial purchasers, is an affiliate of the Notes Trustee and Collateral Agent under the Indenture governing the Notes, and, as such, will receive customary fees in connection therewith. J.P. Morgan Securities LLC is acting as the lead dealer manager and Deutsche Bank Securities Inc. is acting as co-dealer manager with respect to the Tender Offer, and in each case, J.P. Morgan Securities LLC and Deutsche Bank Securities Inc. will receive customary fees and commissions in connection therewith. In addition, certain of the initial purchasers and/or their respective affiliates may be holders of the 2025 Secured Notes that will be redeemed as part of this offering, and, as a result of the contemplated use of proceeds from this offering of the Notes to finance the Tender Offer and/or the 2025 Secured Notes Redemption (if any) , such initial purchasers and/or such respective affiliates, in their capacities as holders of the 2025 Secured Notes, may receive a portion of the proceeds from this offering of the Notes. See "*Use of Proceeds*."

In addition, in the ordinary course of their business activities, the initial purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of us or our respective affiliates. If any of the initial purchasers or their affiliates has a lending relationship with us, consistent with their customary risk management policies, certain of those initial purchasers or their affiliates may hedge or routinely hedge their credit exposure to us. Typically, these initial purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuer's securities, including potentially the Notes offered hereby. Any such credit default swap or short positions could adversely affect future trading prices of the Notes offered hereby. The initial purchasers and/or their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

LEGAL MATTERS

Certain legal matters with respect to the Notes will be passed upon for the Issuer by Latham & Watkins LLP. Certain legal matters with respect to the Notes will be passed upon for the initial purchasers by Cahill Gordon & Reindel LLP.

INDEPENDENT AUDITORS

The financial statements of Caesars Entertainment, Inc. as of and for each of the three years in the period ended December 31, 2022, incorporated by reference herein from Caesars Entertainment, Inc.'s Annual Report on Form 10-K dated February 22, 2023 have been audited by Deloitte & Touche LLP, independent registered accounting firm, as stated in its report incorporated by reference herein.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the SEC. The SEC also maintains an Internet site that has reports and other information about us. The address of the site is http://www.sec.gov. The reports and other information filed by us with the SEC are also available at investor.caesars.com. The information on each website does not constitute part of, and is not incorporated by reference in, this Offering Memorandum.

This Offering Memorandum incorporates important business and financial information about us that is not included in or delivered with this Offering Memorandum. The information incorporated by reference is considered to be part of this Offering Memorandum, except for any information superseded by information in this Offering Memorandum. This Offering Memorandum incorporates by reference the documents set forth below that have previously been filed with the SEC:

- Our Annual Report on Form 10-K (File No. 001-36629) for the year ended December 31, 2022, filed on February 22, 2023;
- Our Quarterly Reports on Form 10-Q (File No. 001-36629) for the three months ended March 31, 2023, filed on May 3, 2023, for the three and six months ended June 30, 2023, filed on August 1, 2023 and for the three and nine months ended September 30, 2023, filed October 31, 2023;
- Our Current Reports on Form 8-K (File No. 001-36629), filed on January 23, 2023, February 6, 2023, June 16, 2023, September 14, 2023 and January 18, 2024 (including the information under the heading "Certain Financial Information" furnished in Item 7.01); and
- Our Proxy Statement on Schedule 14A, filed with the SEC on April 28, 2023 (File No. 001-36629).

We are also incorporating by reference additional documents that the Company files with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, after the date of this Offering Memorandum through the completion of this offering of the Notes. However, except as expressly set forth by specific reference to such filing above, we are not incorporating by reference any documents or portions thereof, whether specifically listed above or filed in the future, that are not deemed "filed" with the SEC, including any information furnished pursuant to Items 2.02 or 7.01 of Form 8-K or certain exhibits furnished pursuant to Item 9.01 of Form 8-K.

Documents incorporated by reference are available from the Company without charge, excluding any exhibits to those documents, unless the exhibit is specifically incorporated by reference in this Offering Memorandum.

You should direct requests for those documents to:

Caesars Entertainment, Inc.
100 West Liberty Street, 12th Floor
Reno, Nevada 89501
Telephone: (775) 328-0100

However, we may terminate and/or suspend our registration and reporting obligations under the Exchange Act.

We will not be subject to the periodic reporting and other informational requirements of the Exchange Act with respect to the offered Notes. Under the terms of the Indenture governing the Notes, we have agreed that for so long as any of the Notes remain outstanding, we will furnish to the Notes Trustee and holders of the Notes the information specified therein. See "*Description of Notes—Certain Covenants—Reports and Other Information*."

In addition, we also have agreed to make available to any holder or beneficial owner of the Notes or any prospective purchaser of the Notes designated by a holder or beneficial owner of the Notes, in connection with any sale of the Notes, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

This Offering Memorandum contains summaries of certain agreements that we have entered into or will enter into in connection, or concurrently, with this offering of the Notes, such as the Indenture governing the Notes and the agreements governing the CEI Revolving Credit Facility. The descriptions contained in this Offering Memorandum of these agreements do not purport to be complete and are subject to, and qualified in their entirety by reference to, the definitive agreements. Copies of the definitive agreements will be made available without charge to you in response to a written or oral request to us. Any such request should be addressed to us at the address set forth above.

$1,500,000,000

% Senior Secured Notes due 2032

Caesars Entertainment, Inc.

Offering Memorandum

Joint Book-Running Managers

Deutsche Bank Securities
J.P. Morgan
Barclays
BofA Securities
Citizens Capital Markets
Truist Securities
US Bancorp
Wells Fargo Securities
SMBC Nikko
BNP PARIBAS
Goldman Sachs & Co. LLC
Citigroup
Macquarie Capital

Co-Managers

Santander
KeyBanc Capital Markets
Fifth Third Securities
CBRE

, 2024