Kathy A. Plunkett

Shelby County Treasurer

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June 6, 2019

Jessica,

I have searched both our real estate and business personal property parcels. At this time I do not find any property being owned by Eldorado Resort Inc.

Respectfully,

Kathy A. Plunkett
Shelby County Treasurer
js

Dan Girt

Madison County Treasurer Office

16 E. 9th Street , Suite 109

Anderson, Indiana 46016

I have searched our real property records and business personal property records

and find no holdings owned by Eldorado Resorts, Inc at this time.

Dan Girt

7- 12-2019

Bruce T. Beesley

Honorable Bruce T. Beesley
United States Bankruptcy Judge

Paul S. Aronzon (CA State Bar No. 88781)
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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re:

CIRCUS AND ELDORADO JOINT VENTURE, *et al.*,

☐ Affects this Debtor
☒ Affects all Debtors
☐ Affects Silver Legacy Capital Corp.

Debtors.

Chapter 11

Case No. BK-12-51156

(Jointly Administered)

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER CONFIRMING DEBTORS' FIRST AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION (DATED JUNE 1, 2012)

I. INTRODUCTION

1. On May 17, 2012 (the "Petition Date"), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code, commencing these chapter 11 cases (the "Chapter 11 Cases").

2. On June 1, 2012, the Debtors filed the *Debtors' Joint Chapter 11 Plan of Reorganization (Dated June 1, 2012)* [Docket No. 117] and the *[Proposed] Disclosure Statement for Debtors' Joint Chapter 11 Plan of Reorganization (Dated June 1, 2012)* [Docket No. 118].

3. On June 11, 2012, the Debtors filed the *Debtors' Motion Pursuant to 11 U.S.C. §§ 1125, 1126 and 1128 and Fed. R. Bankr. P. Rules 2002, 3016, 3017, 3018, and 3020 for an Order: (I) Approving Disclosure Statement; (II) Establishing Voting Record Date, Voting Deadline and Other Dates; (III) Approving Procedures for Soliciting, Receiving and Tabulating Votes on Joint Plan and for Filing Objections to Joint Plan; (IV) Setting Confirmation Hearing and Related Deadlines; and (V) Approving Forms of Notices and Ballots* (the "Disclosure Statement Motion") [Docket No. 158], pursuant to which the Debtors requested that the Court enter an Order, *inter alia*, approving the Disclosure Statement, establishing solicitation and confirmation deadlines, and setting a hearing date to consider confirmation of the Plan.

4. On June 29, 2012, the Debtors filed the *Debtors' First Amended Joint Chapter 11 Plan of Reorganization (Dated June 1, 2012)* [Docket No. 254] and the *[Proposed] Disclosure Statement for Debtors' First Amended Joint Chapter 11 Plan of Reorganization (Dated June 1, 2012)* [Docket No. 253].

5. On July 25, 2012, the Court held a hearing on the Disclosure Statement Motion.

6. On July 27, 2012, the Court entered its *Order (A) Approving Disclosure Statement, (B) Establishing Voting Record Date, Voting Deadline and Other Dates, (C) Approving Procedures for Soliciting, Receiving and Tabulating Votes on Plan and for Filing Objections to Plan, (D) Setting Confirmation Hearing and Related Deadlines and (E)*

Approving Forms of Notices and Ballots (the "Disclosure Statement Order") [Docket No. 377], which, *inter alia*, approved the Disclosure Statement as containing "adequate information" within the meaning of Section 1125(a), approved the solicitation and tabulation procedures proposed by the Debtors, established solicitation and confirmation deadlines, and set September 13, 2012 as the date for the Court to hold a hearing to consider confirmation of the Plan.

7. On July 30 and 31, 2012, the Debtors, in accordance with the Disclosure Statement Order and with the assistance of the Voting Agent (as defined below), commenced the solicitation of votes on the Plan from creditors entitled to vote on the Plan.

8. On August 3, 2012, the Debtors filed redacted versions of (i) the expert report of M. Freddie Reiss, regarding the interest rate proposed to be paid under the Cram-Down Notes, and (ii) the expert report of Ronald F. Greenspan, regarding the valuation of the Debtors' company.

9. On August 8, 2012, the Debtors (i) filed the solicitation versions of the Plan and Disclosure Statement and (ii) provided a *Notice of Errata Regarding Exhibit C to Disclosure Statement for Debtors' First Amended Joint Chapter 11 Plan of Reorganization (Dated June 1, 2012)* (the "August 8 Notice") to all creditors that were entitled to vote on the Plan. In the version of the Disclosure Statement that was initially sent to creditors on July 31, 2012, the final page of Exhibit C, which is comprised of a chart reflecting the range of creditor recoveries in a hypothetical chapter 7 liquidation (the "Chart"), was inadvertently omitted. In addition, the Notes to the Liquidation Analysis inadvertently had not been updated to include the range of estimated recoveries reflected in the final Chart. The August 8 Notice provided all creditors entitled to vote on the Plan with a corrected version and sufficient notice of Exhibit C to the Disclosure Statement.

10. On August 16, 2012, Black Diamond Capital Management, L.L.C. ("Black Diamond") filed the *Black Diamond Capital Management, L.L.C.'s Motion for Entry of an Order Terminating the Exclusive Periods in Which Only the Debtors May File a Plan and Solicit Acceptances Thereof* [Docket No. 452].

11. On August 30, 2012, the Debtors filed the *Debtors' Motion for an Order: (I)(A) Designating the Vote of Black Diamond and (B) Designating the Vote of Any Noteholder that Voted to Reject the Debtors' Plan or, in the Alternative, Allowing the Debtors to Resolicit Certain Votes on the Plan and Approving Related Supplemental Disclosures in Connection Therewith; and (II) Awarding Sanctions Against Black Diamond* (the "Designation Motion") [Docket No. 503].

12. On September 7, 2012, the Voting Agent filed two tabulation reports (the "Original Tabulation Reports"), one of which set forth the voting results for Classes 4 and 5 (the "Classes 4 and 5 Tabulation Report") and the other set forth the voting results for Class 3 (the "Class 3 Tabulation Report"). The Classes 4 and 5 Tabulation Report shows that Class 4, comprised of the US Foods Secured Claim, voted in favor of the Plan and Class 5, comprised of the Debtors' general unsecured creditors, voted unanimously, with 148 ballots returned, to accept the Plan. The Class 3 Tabulation Report shows that as of the August 28, 2012 voting deadline, (i) 100 holders of Mortgage Note Claims ("Mortgage Noteholders"), collectively holding $52.965 million in Mortgage Note Claims, voted to accept the Plan, which represents 83.33% in number and 42.15% in amount of Mortgage Note ballots received, and (ii) 20 Mortgage Noteholders, collectively holding $72.69 million in Mortgage Note Claims, voted to reject the Plan, which represents 16.67% in number and 57.85% in amount of Mortgage Note ballots received.

13. On September 10, 2012, Capital Research and Management Company ("Cap Re") filed its *Statement in Support of Black Diamond Capital Management, L.L.C.'s Motion for Entry of an Order Terminating the Exclusive Periods in Which Only the Debtors May File a Plan and Solicit Acceptances Thereof* [Docket No. 569].

14. On September 12, 2012, (i) Black Diamond filed the *Black Diamond Capital Management, L.L.C.'s Objection to Debtors' Motion for an Order: (I)(A) Designating the Vote of Black Diamond and (B) Designating the Vote of Any Noteholder that Voted to Reject the Debtors' Plan or, in the Alternative, Allowing the Debtors to Resolicit Certain Votes on the Plan and Approving Related Supplemental Disclosures in Connection Therewith; and*

(II) Awarding Sanctions Against Black Diamond [Docket No. 573] and (ii) The Bank of New York Mellon Trust Company, N.A., in its capacity as trustee under the Mortgage Notes (the "Indenture Trustee"), filed its *Limited Objection of the Bank of New York Mellon Trust Company, N.A., as Indenture Trustee, to Debtors' Motion for an Order: (I)(A) Designating the Vote of Black Diamond and (B) Designating the Vote of Any Noteholder that Voted to Reject the Debtors' Plan or, in the Alternative, Allowing the Debtors to Resolicit Certain Votes on the Plan and Approving Related Supplemental Disclosures in Connection Therewith; and (II) Awarding Sanctions Against Black Diamond* [Docket No. 572].

15. On September 17, 2012, the Debtors filed under seal (i) the *Debtors' Reply to Black Diamond's and Indenture Trustee's Objections to Motion for an Order: (I)(A) Designating the Vote of Black Diamond and (B) Designating the Vote of Any Noteholder that Voted to Reject the Debtors' Plan or, in the Alternative, Allowing the Debtors to Resolicit Certain Votes on the Plan and Approving Related Supplemental Disclosures in Connection Therewith; and (II) Awarding Sanctions Against Black Diamond* and (ii) the *Declaration of Haig M. Maghakian* in support thereof.

16. On September 19 and 20, 2012, the Bankruptcy Court held a hearing to consider the Designation Motion (the "Designation Hearing").

17. On October 8, 2012, the Court entered the *Further Revised Stipulated Scheduling Order Re: Confirmation Hearing* [Docket No. 658], which, among other things, in furtherance of the proposed settlement set forth in the Stipulation (defined below), provided for the bifurcation of the confirmation hearing on the Plan as follows: (a) the confirmation hearing would commence on October 22, 2012, and continue, if necessary, on October 23, 2012; and (b) to the extent necessary, the confirmation hearing would be resumed in November or December 2012.

18. On October 15, 2012, the Debtors filed the *Debtors' Motion Pursuant to 11 U.S.C. §§ 105(a) and Fed. R. Bankr. P. 9019 for an Order Approving Stipulation Compromising and Resolving Plan-Related Issues Among Black Diamond Capital Management, L.L.C., The Bank of New York Mellon Trust Company, N.A. and Capital*

Research and Management Company (the "9019 Motion") [Docket No. 665], which, among other things, requests that the Court approve the *Stipulation Compromising and Resolving Plan-Related Issues Among the Debtors, Black Diamond Capital Management, L.L.C., The Bank of New York Mellon Trust Company, N.A., and Capital Research and Management Company* (the "Stipulation"), attached as Exhibit 1 thereto. The Stipulation embodies a proposed resolution of the principal issues in dispute in these Chapter 11 Cases (the "Noteholder Settlement") and specifically provided, among other things, that (a) Black Diamond withdrew its vote rejecting the Plan, thereby resulting in Class 3 Acceptance of the Plan, (b) the Debtors would pursue confirmation of the Plan using the "Consensual Treatment" alternative for the Mortgage Note Claims as set forth in Article III.B.3 of the Plan (the "Consensual Plan"), and (c) Black Diamond, the Indenture Trustee and the Cap Re Holders would support, and refrain from objecting to or contesting, confirmation and consummation of the Consensual Plan.

19. On October 15, 2012, the Debtors filed (i) their *Memorandum of Law in Support of Confirmation of Debtors' First Amended Joint Chapter 11 Plan of Reorganization (Dated June 1, 2012)* (the "Confirmation Brief") [Docket No. 683] and (ii) the *Declaration of Stephanie D. Lepori in Support of Confirmation of Debtors' First Amended Joint Chapter 11 Plan of Reorganization (Dated June 1, 2012)* [Docket No. 684] (the "Lepori Declaration").

20. On October 15, 2012, KCC filed a supplemental tabulation report for Class (Mortgage Note Claims) (the "Supplemental Class 3 Tabulation Report"; together with the Original Tabulation Reports, the "Tabulation Reports" or the "Tab. Rpts.") [Docket No. 685] that reflected the withdrawal of Black Diamond's votes on the Plan pursuant to the Stipulation. The Supplemental Class 3 Tabulation Report states that, following Black Diamond's withdrawal of its votes on the Plan, (i) 100 Mortgage Noteholders, collectively holding $52.965 million in Mortgage Note Claims, voted to accept the Plan, which represents 84.75% in number and 78.58% in amount of Mortgage Note ballots received and (ii) 18 Mortgage Noteholders, collectively holding $14.435 million in Mortgage Note Claims, voted to

reject the Plan, which represents 15.25% in number and 21.42% in amount of Mortgage Note ballots received.

21. On October 18, 2012, the Debtors filed (i) the *Debtors' Motion for an Order Pursuant to 11 U.S.C. §§ 105, 363 and 503 Authorizing and Approving Debtors' Entry Into and Performance Under Wells Fargo Letter Agreements in Connection with Proposed New First Lien Credit Agreement* [Docket No. 703] (the "Wells Fargo Motion") and (ii) the *Declaration of Thomas R. Reeg in Support of Debtors' Motion for an Order Pursuant to 11 U.S.C. §§ 105, 363 and 503 Authorizing and Approving Debtors' Entry Into and Performance Under Wells Fargo Letter Agreements in Connection with Proposed New First Lien Credit Agreement* [Docket No. 704] (the "Reeg Declaration"). The Court considered, and granted the relief requested in, the Wells Fargo Motion at the Confirmation Hearing.

22. On October 18, 2012, the Debtors filed the *Notice of Filing of First Amended Plan Supplement for Debtors' First Amended Joint Chapter 11 Plan of Reorganization (Dated June 1, 2012)* [Docket No. 715], which attached revised and substantially final versions of (i) the New Second Lien Indenture, (ii) the collateral trust and intercreditor agreement to be entered into, among others, the New First Lien Administrative Agent and the Indenture Trustee as indenture trustee under the New Second Lien Indenture, and (iii) the form of the New Subordinated Notes.

23. No party in interest has filed or made any objection to the Plan.

24. On October 22, 2012, pursuant to sections 1127, 1128 and 1129 of the Bankruptcy Code and Federal Rules of Bankruptcy Procedure 2002, 3017, 3018, 3019(a), 3020(b) through (e), 7052 and 9019, the Court held a hearing (the "Confirmation Hearing") to consider confirmation of the Plan and approval of the 9019 Motion, the Stipulation and the Noteholder Settlement.

NOW THEREFORE, based upon this Court's review and consideration of the Plan, the Confirmation Brief, the 9019 Motion, the Stipulation, the Noteholder Settlement, the Wells Fargo Motion, the Lepori Declaration, the Reeg Declaration, the Tabulation Reports, all other documents and other evidence submitted in connection with the Plan, and having heard and

considered the arguments of counsel at the Confirmation Hearing, and upon the entire record of these Chapter 11 Cases, and after due deliberation thereon, the Court hereby enters the following Findings of Fact and Conclusions of Law set forth below (the "Findings of Fact and Conclusions of Law").

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

25. These Findings of Fact and Conclusions of Law refer to, in summary fashion, numerous provisions of the Plan. All such descriptions are qualified by the express terms of the Plan, which Plan terms control unless expressly modified herein. In addition, the failure to specifically include or discuss any particular provision of the Plan herein shall not diminish the effectiveness of any such provision, it being the intent of the Court that the Plan shall be confirmed in its entirety, and the Plan is incorporated herein in its entirety by this reference.

26. All of the recitals set forth in Section I above hereby are incorporated as findings of fact and conclusions of law, as applicable.

27. Each finding of fact set forth herein, to the extent it is or may be so deemed a conclusion of law, shall also constitute a conclusion of law. Each conclusion of law set forth herein, to the extent that it is or may be so deemed a finding of fact, shall also constitute a finding of fact. These written findings of fact and conclusions of law shall include any oral findings of fact and conclusions of law made by the Court during or at the Confirmation Hearing in accordance with Federal Rule of Bankruptcy Procedure 7052, made applicable to these proceedings by Federal Rule of Bankruptcy Procedure 9014.

A. Jurisdiction and Venue

28. The Court has subject matter jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Confirmation of the Plan is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

B. Compliance With the Requirements Of Bankruptcy Code Section 1129

29. The Plan complies with all applicable provisions of the Bankruptcy Code, as required by Section 1129(a)(1), including Sections 1122 and 1123.

i. **Sections 1122 and 1123(a)(1) through (a)(4) — Classification and Treatment of Claims and Equity Interests**

30. In accordance with the requirements of Sections 1122 and 1123(a)(1), Article III of the Plan designates Classes of Claims and Equity Interests, other than Administrative Claims and Priority Tax Claims (pursuant to Section 1123(a)(1), classes of Administrative Claims and Priority Tax Claims are not required to be classified). The Mortgage Note Claims, which are claims based on the Mortgage Notes and secured by substantially all of the Debtors' assets, are classified in Class 3. The US Foods Secured Claim, which consists of a claim based on a trade payable and secured by the Debtors' assets, is classified in Class 4. The Debtors' general unsecured claims, including the Debtors' ordinary course trade payables, are classified in Class 5. The partnership interests of Galleon, Inc. and Eldorado Resorts LLC are classified in Class 6. Class 1 consists of the Debtors' other secured claims and Class 2 consists of certain claims against the Debtors that are entitled to priority over general unsecured claims.

31. In accordance with the requirements of Section 1122(a), each Class of Claims and Equity Interests contains only Claims or Equity Interests that are substantially similar to the other Claims or Equity Interests within that Class.

32. In accordance with the requirements of Sections 1123(a)(2) and 1123(a)(3), Article III of the Plan specifies all Classes of Claims and Equity Interests that are not impaired under the Plan and specifies the treatment that will be received by all Classes of Claims and Equity Interests that are impaired under the Plan.

33. Consistent with Section 1123(a)(4), Article III of the Plan also provides the same treatment for each Claim or Equity Interest within a particular Class, unless the Holder of a Claim or Equity Interest agrees to less favorable treatment of its Claim or Equity Interest.

ii. **Section 1123(a)(5) — Adequate Means for Plan Implementation**

34. Article IV and certain other provisions of the Plan set forth adequate means for the implementation of the Plan within the meaning of Section 1123(a)(5). Such

implementation provisions include, but are not limited to, provisions providing for (a) the continued existence of the Debtors after the Effective Date, (b) the vesting of property of the Debtors' estates in the Reorganized Debtors, (c) the maintenance of the Debtors' existing organizational documents, subject to the Debtors' right to amend such documents in accordance with the terms of such documents and applicable law and (d) the retention of the Debtors' existing directors, officers, and executive committee members. In addition, Article IV.B of the Plan includes appropriate provisions permitting the Debtors to obtain the financing necessary to implement the Plan, including the Reorganized Debtors' entry into the New First Lien Credit Agreement and the New Second Lien Indenture and issuance of the New Second Lien Notes and the New Subordinated Notes. Article IV.C of the Plan sets forth the sources of Cash to be used to pay all Cash distributions under the Plan, including the Class 3 Consensual Cash Distribution and the distributions to be made to general unsecured creditors either on the Effective Date (for claims totaling less than $15,000) or over the course of the one-year period following the Effective Date (for claims totaling $15,000 or more). In light of the foregoing, the Plan satisfies the requirements of Section 1123(a)(5).

iii. Section 1123(a)(6) — Prohibition Against the Issuance by Corporate Debtors of Non-Voting Equity Securities; Adequate Provisions by Such Entities for Voting Power of Classes of Securities

35. The requirements of Section 1123(a)(6) are inapplicable to the Debtors and the Plan. The Joint Venture is a partnership, rather than a corporation, and is therefore not subject to Section 1123(a)(6) based on the plain language of the statute. In addition, SLCC, although a corporation, has no operations, assets or revenues, and has only one class of stock, which is wholly-owned by the Joint Venture. Accordingly, Section 1123(a)(6) is inapplicable to SLCC because there is no need for the type of minority-shareholder protections contemplated by Section 1123(a)(6).

iv. Section 1123(a)(7) — Selection of Directors and Officers in a Manner Consistent with the Interests of Creditors, Equity Security Holders and Public Policy

36. In accordance with Section 1123(a)(7), Article IV.D.1 of the Plan provides that the Partners will retain their equity interests in the Debtors and that the selection

of the Reorganized Debtors' executive committee members and management will continue to be governed by the existing partnership agreement. Article IV.D.2 of the Plan provides that the Debtors' existing management team, which has significant experience operating the Debtors and in the hotel and gaming industry in general, will continue to manage the Reorganized Debtors. Accordingly, because (i) the ownership of the Debtors is not altered by the Plan, (ii) the existing owners have already agreed to the means by which the Reorganized Debtors' management is selected, and (iii) the Reorganized Debtors will continue to be managed by qualified and experienced individuals, Section 1123(a)(7) is satisfied.

v. **Section 1123(b)(1) — Impairment of Claims and Interests**

37. Consistent with Section 1123(b)(1), Article III of the Plan impairs or leaves unimpaired, as the case may be, each Class of Claims and Equity Interests and clearly identifies such impairment or unimpairment.

vi. **Sections 1123(b)(2) — Assumption, Assignment or Rejection of Executory Contracts and Unexpired Leases**

38. Consistent with Section 1123(b)(2), Article V of the Plan provides for the assumption by the Debtors of all executory contracts and unexpired leases that (i) have not expired by their own terms on or prior to the Effective Date, (ii) have not been previously assumed or rejected by the Debtors during the Chapter 11 Cases, (iii) have not been identified in the Plan Supplement as an executory contract or unexpired lease to be rejected, or (iv) are not the subject of a pending motion to reject. Accordingly, the Plan satisfies the requirements of Section 1123(b)(2).

39. In addition, all non-Debtor counterparties to the Debtors' executory contracts and unexpired leases (the "Counterparties" and, each individually, a "Counterparty") received full and sufficient notice of the Plan and the Debtors' assumption of their executory contracts and unexpired leases in accordance therewith. No Counterparty raised or filed any objection to the Plan or the Debtors' assumption of its executory contract or unexpired lease and, accordingly, each Counterparty is deemed to have consented to the Debtors' assumption of its executory contract or unexpired lease, as applicable, in accordance with Section 365.

40. The Debtors have provided adequate assurance of cure and future performance with respect to each executory contract and unexpired lease that will be assumed pursuant to the Plan in accordance with Section 365. Article V of the Plan expressly provides for the cure of all defaults under executory contracts and unexpired leases and the Debtors' anticipated cash position on the Effective Date demonstrates that they will be able to cure any such defaults. On and after the Effective Date, the Debtors will remain sufficiently capitalized and are projected to generate sufficient cash flow to meet all of their post-emergence obligations, including obligations under their assumed executory contracts and unexpired leases, which constitutes adequate assurance of future performance with respect to each assumed executory contract and unexpired lease. In light of the foregoing, the Debtors' assumption of executory contracts and unexpired leases pursuant to the Plan satisfies all requirements of Section 365.

vii. Section 1123(b)(3) — Retention, Enforcement and Settlement of Claims Held by the Debtors

41. Consistent with Section 1123(b)(3)(A), Article IV.E of the Plan provides for the Debtors' retention and enforcement of any claims, demands, rights and Causes of Action held by the Debtors' or their Estates, unless otherwise agreed to by the Debtors or released under Article IX.D of the Plan.

viii. Section 1123(b)(4) — Sale of Assets of the Estate

42. Section 1123(b)(4) is a non-mandatory provision and does not require that the Plan provide for the sale of assets of the estates. Accordingly, because the Plan provides for the reorganization of the Debtors, and retention and vesting of the Debtors' and estates' assets in the Reorganized Debtors, Section 1123(b)(4) is inapplicable to the Debtors and the Plan.

ix. Section 1123(b)(5) — Modification of the Rights of Holders of Claims

43. Consistent with Section 1123(b)(5), Article III of the Plan modifies or leaves unaffected, as the case may be, the rights of Holders of each Class of Claims. Holders of Claims in Classes 1 and 2 will receive payment in full in Cash and/or are unimpaired by the Plan. Holders of Claims in Class 3 will receive, on account, and in full satisfaction, of their Allowed Mortgage Note Claim, the "Consensual Treatment" set forth in Article III.B.3 of the Plan, which provides that each Holder of an Allowed Mortgage Note Claim will receive (i) its pro rata share of the Class 3 Consensual Cash Distribution and the New Second Lien Notes and (ii) the benefit of the Plan's release and injunctive provisions. Holders of Claims in Class 4 will receive full payment of the Allowed US Foods Secured Claim, excluding accrued interest. Holders of Claims in Class 5 will receive either (i) payment in full in Cash (without interest) on the Effective Date (for claims totaling less than $15,000) or (ii) payment in full in Cash (plus interest at 5% per annum) to be paid over one year in equal quarterly installments beginning approximately 90 days after the Effective Date (for claims equal to or greater than $15,000).

x. Section 1123(b)(6) — Other Appropriate Provisions

44. Consistent with Section 1123(b)(6), the Plan includes additional appropriate implementation provisions that are not inconsistent with applicable provisions of the Bankruptcy Code, including: (i) the provisions of Article VI of the Plan governing distributions on account of Allowed Claims; (ii) the provisions of Article VII of the Plan establishing procedures for resolving Disputed Claims and making distributions on account of such Disputed Claims once resolved; and (iii) the provisions of Article IX of the Plan, including the treatment of the provisions of the Plan as a comprehensive settlement, releases by the Debtors, releases by Holders of Claims and Equity Interests, a supplemental injunction and certain exculpation provisions.

xi. **Section 1123(d) — Cure of Defaults**

45. In accordance with Section 1123(d), Article V of the Plan provides for the cure of defaults in respect of all executory contracts and unexpired leases that are being assumed under the Plan. Accordingly, the Plan satisfies Section 1123(d).

xii. **Section 1129(a)(2) — Plan Proponent Compliance with Applicable Provisions of the Bankruptcy Code**

46. In accordance with the requirements of Section 1129(a)(2), the Debtors have complied with all applicable provisions of the Bankruptcy Code, including Sections 1125 and 1126, the Bankruptcy Rules, including Bankruptcy Rules 3016, 3017, and 3018, and this Court's Disclosure Statement Order. In connection therewith, the Debtors have satisfied all solicitation requirements related to the Plan and all notice requirements related to confirmation of the Plan. These findings and conclusions are supported by the following facts:

- in accordance with Bankruptcy Rule 3016(b), the Debtors filed copies of the Disclosure Statement with the Plan, including the "solicitation" versions of the Plan and Disclosure Statement (see Docket Nos. 117, 118, 253, 254 and 417), and posted copies of the Plan and Disclosure Statement on the website for these Chapter 11 Cases maintained by Kurtzman Carson Consultants LLC;
- in accordance with Bankruptcy Rules 3016(c) and 3017(f), the Plan and Disclosure Statement describe the injunctive provisions of the Plan in bold and italicized text and the Debtors provided all creditors and parties in interest with at least 28 days' notice (i) that the Plan provides for injunctive relief and (ii) of the confirmation hearing and related objection deadline;
- in accordance with Bankruptcy Rule 3017(a), 28 days' notice of the Disclosure Statement hearing was provided to all creditors and parties in interest;
- in accordance with Bankruptcy Rule 3017(d), following the Court's approval of the Disclosure Statement, the Debtors (i) served copies of the Plan and

Disclosure Statement in accordance with the provisions of the Disclosure Statement Order (and, on August 8, 2012, provided the August 8 Notice to all creditors entitled to vote on the Plan), (ii) served notice of the confirmation hearing and related deadlines on all creditors and parties in interest, (iii) provided Court-approved ballots to all creditors entitled to vote on the Plan, and (iv) served those creditors not entitled to vote on the Plan with a Court-approved notice that (a) described such creditor's ineligibility to vote on the Plan and stated that such creditor could contact the Voting Agent or the Debtors' counsel to obtain a copy of the Plan and Disclosure Statement and (b) provided notice of the confirmation hearing and related deadlines; and

- in accordance with Bankruptcy Rule 3017(e), the Disclosure Statement Order set forth specific solicitation provisions governing the Debtors' solicitation of the holders of the Mortgage Note claims, and the Debtors and the Voting Agent fully complied with such solicitation procedures.

In light of the foregoing, Section 1129(a)(2) has been satisfied.

xiii. **Section 1129(a)(3) — Good Faith Requirement**

47. The Debtors filed these Chapter 11 Cases after the Mortgage Notes matured and the Debtors were unable to refinance or restructure the Mortgage Notes out of court. Thus, the Debtors proposed the Plan in order to effectuate a reorganization that would effectively deleverage their capital structure while simultaneously (i) paying their creditors' claims either in full or, in the case of the Mortgage Notes, at a modest discount under the Consensual Plan, and (ii) preserving the value of the Silver Legacy as a going concern for the benefit of all of the Debtors' stakeholders, including their 1,800 employees. This Court's finding of good faith is also supported by the fact that (i) the "Consensual Treatment" alternative for the Mortgage Notes provided for under the Plan reflects the framework of the agreed-upon treatment for the Mortgage Notes provided for under the prepetition restructuring support agreement entered into by the Debtors and Cap Re, one of the largest holders of the

Mortgage Notes, and (ii) the Plan garnered near unanimous support from creditors and other stakeholders. In light of the foregoing, and numerous other facts in the record of these Chapter 11 Cases, the Court finds and concludes that the Plan was intended by the Debtors to, and does, achieve a result that is consistent with the policies and objectives of the Bankruptcy Code and therefore was proposed by the Debtors in good faith and not by any means forbidden by law in accordance with Section 1129(a)(3).

xiv. **Section 1129(a)(4) — Bankruptcy Court Approval of Certain Payments as Reasonable**

48. In accordance with the requirements of Section 1129(a)(4), Article III.A.1.d of the Plan provides that (i) all Professionals or entities asserting a Fee Claim for services rendered before the Effective Date shall file a final fee application by no later than 60 days after the Effective Date and (ii) the allowance and payment of Fee Claims remain subject to final approval by the Court

xv. **Section 1129(a)(5) — Disclosure of Management and Compensation of Insiders**

49. The Plan meets the requirements of Section 1129(a)(5). The Debtors have disclosed the identity of their directors and officers in their Disclosure Statement and the Debtors' public filings (which public filings also periodically have identified the compensation of all insiders employed by the Debtors.) Article IV.D.2 of the Plan provides that the Debtors' prepetition directors and officers (and executive committee members) will continue to serve the Reorganized Debtors in the same capacity. The retention of the Debtors' existing directors, officers and executive committee is in the best interests of all stakeholders and public policy because the Debtors' management team (and the Debtors' ultimate owners) have extensive experience in the gaming and hospitality industry and substantial operational and historical knowledge regarding the Debtors' business, thereby making existing management uniquely well-qualified to manage the Debtors' business upon emergence from chapter 11.

xvi. **Section 1129(a)(6) — Regulatory Rate Approvals**

50. The Debtors' business does not involve the establishment of rates over which any regulatory commission has jurisdiction. Accordingly, Section 1129(a)(6) does not apply to the Debtors or the Plan.

xvii. Section 1129(a)(7) — Best Interests of Creditors Test

51. Each holder of a Claim against or Equity Interest in the Debtors will receive a recovery under the Plan on account of such Claim or Equity Interest that is greater than would be the case if the Debtors' business were liquidated under chapter 7 of the Bankruptcy Code. Accordingly, the Plan satisfies the "best interests" test embodied in Section 1129(a)(7). The Liquidation Analysis submitted by the Debtors as Exhibit C to the Disclosure Statement is detailed, credible and persuasive and has not been controverted by any other evidence or challenged by any party in interest. The Liquidation Analysis is based on reasonable and sound assumptions and methodologies and demonstrates that each impaired Class will receive a greater distribution under the Plan than under a hypothetical chapter 7 liquidation. Specifically, the Liquidation Analysis establishes that in a chapter 7 liquidation:

- holders of Mortgage Note claims would receive an aggregate recovery on account of their secured claims ranging from approximately $109 million to $120 million, for a recovery of approximately 80.8% to 87.6%, compared to a recovery of 88.8% under the Plan; and
- holders of Class 5 General Unsecured Claims would receive a recovery ranging from approximately 25% to 31%, compared to payment in full under the Plan (with interest at 5% per annum for Class 5 Claims in excess of $15,000).

52. With respect to the US Foods Secured Claim, Section 1129(a)(7) is satisfied because the sole holder of the Claim in this Class voted to accept the Plan.

xviii. Section 1129(a)(8) — Acceptance by or Unimpairment of Each Class

53. The Plan satisfies Section 1129(a)(8). Under the Plan, Claims in Class 1 (Other Secured Claims), Class 2 (Other Priority Claims) and Class 6 (Equity Interests) are not impaired, and are therefore presumed to have accepted the Plan pursuant to Section 1126(f).

Holders of Claims in Class 4 (US Foods Secured Claims) and Class 5 (General Unsecured Claims) voted unanimously to accept the Plan, thereby satisfying Section 1129(a)(8) with respect to such Classes. With respect to Class 3 (Mortgage Note Claims), based on the withdrawal of Black Diamond's votes on the Plan as set forth in the Stipulation, and as reflected in the Supplemental Class 3 Tabulation Report, (i) 100 votes (84.75%) representing $52,965,000 in Mortgage Note Claims (78.58%) accepted the Plan, and (ii) 18 votes (15.25%) representing $14,435,000 in Mortgage Note Claims (21.42%) rejected the Plan. Therefore, in accordance with Section 1126(c), at least two-thirds in dollar amount and more than one-half in the number of Class 3 Mortgage Note Claims that actually voted on the Plan voted to accept the Plan, thereby resulting in Class 3's acceptance of the Plan.

xix. **Section 1129(a)(9) — Priority Claims**

54. The Plan complies with each of the requirements of Section 1129(a)(9) because (i) Article III.B.2 of the Plan provides that Other Priority Claims will be paid in full on the Effective Date and (ii) Article III.A.2 of the Plan provides that Priority Tax Claims will receive either (a) payment in full on the Effective Date, (b) certain less favorable treatment agreed to by the Holder of any such Priority Tax Claim or (c) cash in the amount of the applicable Priority Tax Claim payable in regular installments ending not more than five years after the Petition Date in accordance with Sections 1129(a)(9)(C) and (D).

xx. **Section 1129(a)(10) — At Least One Consenting Impaired Class**

55. The Plan satisfies Section 1129(a)(10) because, as addressed above, Classes 3, 4 and 5, each of which is an impaired Class under the Plan and comprised of non-insiders, voted to accept the Plan.

xxi. **Section 1129(a)(11) — Plan is Not Likely to Be Followed By Liquidation or Need for Further Reorganization**

56. Confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Debtors, and the Plan therefore meets the "feasibility" requirement set forth in Section 1129(a)(11). Under Ninth Circuit case law, a plan proponent may establish that the plan is feasible in accordance with Section 1129(a)(11) where

such plan "has a reasonable probability of success." Acequia, Inc. v. Clinton (In re Acequia, Inc.), 787 F.2d 1352, 1364-65 (9th Cir. 1986). The Bankruptcy Code "does not require the debtor to prove that success is inevitable or assured, and a relatively low threshold of proof will satisfy § 1129(a)(11) so long as adequate evidence supports a finding of feasibility." Wells Fargo Bank, N.A. v. Loop 76, LLC (In re Loop 76, LLC), 465 B.R. 525, 544 (B.A.P. 9th Cir. 2012). The bankruptcy court's feasibility analysis is therefore necessarily a fact-intensive inquiry, in which the court may consider a variety of factors, including (a) the adequacy of the reorganized debtor's capital structure, (b) the earning power of the business, (c) economic conditions, (d) the ability of management, (e) the probability of the retention of the debtor's management post-emergence, and (f) "any other related matters which determine the prospects of a sufficiently successful operation to enable performance of the provisions of the plan." See In re Linda Vista Cinemas, L.L.C., 442 B.R. 724, 738 (Bankr. D. Ariz. 2010) (finding debtor's plan to be feasible where it was supported by credible testimony and current performance and future projections that showed that plan payments could be made); see also Mut. Life Ins. Co. of New York v. Patrician St. Joseph Partners, Ltd. P'ship (In re Patrician St. Joseph Partners Ltd. P'ship), 169 B.R. 669, 674 (D. Ariz. 1994) (finding plan feasible where (a) debtor successfully managed business prepetition, (b) debtor had never been in default under note prior to maturity, (c) existing management would be retained post-emergence, and (d) projections were supported by credible testimony).

57. In these Chapter 11 Cases, the Debtors have submitted detailed financial projections (the "Projections"), including a projected income statement, balance sheet, and cash flow statement, that set forth projected financial information through the end of 2016. The Projections provide a reasoned and conservative estimation of the future financial performance of the Debtors' business based on the Debtors' historical performance and recent trends, and were developed by the Debtors' management after extensive consultation with the Debtors' financial and legal advisors. The Projections have not been controverted by any other evidence nor have they been challenged by any party in interest.

58. The Projections demonstrate that (i) the Debtors anticipate their cash position will nearly double from $10.0 million at the end of 2012 to the $20 million range in 2016 and (ii) the Debtors' EBITDA will increase from an estimated $17.1 million at the end of 2012 to upwards of $20 million at the end of 2016, reflecting an increase of nearly 20%. Accordingly, the Projections show that the Debtors will not only be able to meet their post-emergence obligations as they come due, but actually will be accumulating cash after meeting such obligations, thereby (i) enhancing the equity cushion for the Debtors' post-emergence debt and (ii) providing the Debtors with additional flexibility in addressing the New First Lien Credit Facility and the New Second Lien Notes at their respective maturities.

59. Moreover, the Debtors' recent actual financial performance during these Chapter 11 Cases generally has exceeded the Projections. This improved performance both indicates that the Debtors will be in an even better position to meet their post-emergence obligations and serves to highlight the fact that the Projections reflect the considered, reasonable and conservative judgment of management regarding the Debtors' likely future performance. In addition, the Debtors have entered into a commitment letter and fee letter with Wells Fargo Bank, N.A. and certain of its affiliates (collectively, "Wells Fargo"), the proposed arranger, underwriter and administrative agent for the New First Lien Credit Agreement.[1] The Commitment Letter sets forth Wells Fargo's commitment to provide the Debtors with 100% of the $70 million principal amount of the New First Lien Term Loan, the proceeds of which will fund the cash distributions to be made on the Effective Date, in each case subject to the terms and conditions set forth therein.

60. The Projections and the other evidence submitted by the Debtors in support of confirmation also demonstrate that the Debtors and the Plan satisfy each and every factor considered by courts in the Ninth Circuit in evaluating feasibility under Section 1129(a)(11). See Linda Vista Cinemas, 442 B.R. at 738. First, with respect to the adequacy of the Reorganized Debtors' capital structure, the Projections show (and the Plan provides through

[1] A copy of the commitment letter is attached as Exhibit 2 to the Wells Fargo Motion (the "Commitment Letter"). A copy of the fee letter has been submitted to the Court under seal [Docket No. 720] in accordance with the Court's order dated October 18, 2012 [Docket No. 712] (the "Fee Letter").

the definition of Available Balance Sheet Cash) that the Debtors will be sufficiently capitalized post-emergence with approximately $10 million in cash on hand after making or reserving for all anticipated Effective Date payments under the Plan. This $10 million amount is sufficient to both (i) satisfy the applicable "minimum bankroll requirements" under applicable Nevada gaming regulations and (ii) provide the Debtors with adequate working capital to address the Debtors' ordinary course operational cash needs. In addition, the Plan effectuates a significant reduction in the Debtors' long-term debt obligations (from approximately $153.6 million in Mortgage Note Claims (inclusive of accrued but unpaid interest) to approximately $112.5 million of aggregate long-term debt post-emergence) thus further underscoring that the Debtors' capital structure will be feasible post-chapter 11.

61. Second, as discussed above, the Projections demonstrate that the Debtors' earning power is sufficient to meet their post-emergence obligations, as demonstrated by the anticipated increases in EBITDA and cash through 2016.

62. Third, the Projections and the Plan appropriately account for the economic conditions that may affect the Debtors' business based upon the reasonable, considered and sound judgment of management, in consultation with the Debtors' financial and legal advisors.

63. Fourth, the Plan provides for the retention of the Debtors' existing directors, officers, executive committee members, and ownership. The Debtors' management and owners are uniquely well-qualified to manage the Debtors' business post-emergence, with extensive experience in the gaming and hospitality industry, including unparalleled experience in the Reno, Nevada market, and deep operational and historical knowledge regarding the Debtors' business. In light of the foregoing, the Court finds and concludes that the Plan is feasible in accordance with Section 1129(a)(11).

xxii. Section 1129(a)(12) — Payment of Statutory Fees

64. In accordance with the requirements of Section 1129(a)(12), Article III.A.1.b of the Plan provides that Administrative Claims for fees payable pursuant to 28 U.S.C. § 1930 will be paid in Cash on or before the Effective Date and that such fees that accrue after

the Effective Date will be paid by the Reorganized Debtors until the Chapter 11 Cases are closed.

xxiii. Section 1129(a)(13) — Continuation of Payment of Retiree Benefits

65. The Plan satisfies Section 1129(a)(13) because the Debtors have only one retiree benefit plan, the Supplemental Executive Retirement Plan, which the Plan does not impair or affect.

xxiv. Sections 1129(a)(14) through (16) — Inapplicable Provisions

66. Sections 1129(a)(14), (15) and (16) address domestic support obligations, individual debtors, and non-moneyed businesses, respectively. Accordingly, such provisions are inapplicable to the Debtors and the Plan.

C. Section 1129(d) — Purpose of Plan Not Tax Avoidance

67. The primary purpose of the Plan is not avoidance of taxes or avoidance of the requirements of Section 5 of the Securities Act. Rather, as discussed above, the Plan was proposed in good faith in order to restructure the Debtors' long-term debt obligations. Accordingly, the Plan is in compliance with Section 1129(d).

D. Compliance With Bankruptcy Rule 3016(a)

68. In accordance with the requirements of Bankruptcy Rule 3016(a), the Plan is dated and identifies the two Debtors as the entities submitting the Plan.

III. THE SETTLEMENT, RELEASE, INJUNCTIVE AND EXCULPATION PROVISIONS OF THE PLAN ARE REASONABLE AND NECESSARY

69. The settlement, release, exculpation and injunctive provisions provide necessary assurance to all stakeholders in the Debtors' reorganization, including parties that are providing the financing necessary to effectuate the Plan distributions, that the global resolution embodied in the Plan is a full and final settlement of all issues related to the Debtors and these Chapter 11 Cases, thereby allowing the Debtors, their creditors and their owners to move forward constructively and efficiently as stakeholders in the post-emergence enterprise.

70. The compromise embodied in the Plan is reasonable, fair and equitable. The Plan is overwhelmingly supported by all major stakeholders in these Chapter 11 Cases,

including the principal holders of the Mortgage Notes, the General Unsecured Creditors (which voted unanimously to accept the Plan), and the Committee. In addition, the Plan provides a consensual means for the de-leveraging of the Debtors' balance sheet, thereby placing the business on a substantially improved financial footing, which will benefit the Debtors and their creditors, vendors and employees.

71. The releases provided by the Debtors, as discussed above, are part and parcel of the overall resolution of these Chapter 11 Cases and are a reasonable and sound exercise of the Debtors' business judgment and are therefore approved pursuant to Bankruptcy Rule 9019(a). Likewise, the releases provided to the Debtors and certain non-Debtor affiliates, and the supplemental injunction provided in support thereof, are reasonable consideration for and a necessary component of a substantial portion of the exit financing being provided by the non-Debtor affiliates, namely, the $15 million provided by the Partners through the New Subordinated Notes, which is critical to ensuring that the Debtors can make the Class 3 Consensual Cash Distribution to the Mortgage Noteholders on the Effective Date. See, e.g., Linda Vista Cinemas, 442 B.R. at 724 (approving temporary injunction under plan to protect guarantors where guarantors provided funding and expertise necessary to effectuate plan of reorganization); Menard-Sanford v. Mabey (In re A.H. Robins Co., Inc.), 880 F.2d 694 (4th Cir. 1989) (approving permanent injunction where it was necessary to prevent parties from pursuing certain entities whose performance under plan was necessary for plan to succeed); Sec. & Exch. Comm'n v. Drexel Burnham Lambert Grp., Inc. (In re Drexel Burnham Lambert Grp., Inc.), 960 F.2d 285 (2d Cir. 1992) (same); cf. Am. Hardwoods, Inc. v. Deutsche Credit Corp. (In re Am. Hardwoods, Inc.), 885 F.2d 621 (9th Cir. 1989) (not involving consideration or parties essential to successful consummation of plan); Resorts Int'l, Inc. v. Lowenschuss (In re Lowenschuss), 67 F.3d 1394 (9th Cir. 1995) (same). The releases and supplemental injunction provided under the Plan have been fully disclosed to all parties in interest in accordance with the Bankruptcy Rules and this Court's Disclosure Statement Order and, not only has no objection been raised, but creditors have overwhelmingly voted to accept the Plan and the complete resolution of these Chapter 11 Cases that it effectuates. In addition, cash

recoveries on the Effective Date for both the Mortgage Notes and General Unsecured Creditors are substantially enhanced by the $15 million subordinated loan provided by the Partners.

72. The Plan's exculpation provision is expressly authorized by Section 1125(e), and the records of these Chapter 11 Cases clearly indicate that the Debtors, the Partners, the other Released Parties and their respective Related Persons have acted in good faith in soliciting the Plan.

IV. SUBSTANTIVE CONSOLIDATION IS LEGALLY JUSTIFIED AND IN THE BEST INTEREST OF THE DEBTORS AND THEIR ESTATES

73. The limited substantive consolidation provided for in the Plan is in the best interest of the Debtors' estates and will promote a more expeditious and streamlined distribution and recovery process for all creditors. Courts in the Ninth Circuit follow the test for substantive consolidation set forth in Union Sav. Bank v. Augie/Restivo Baking Co., Ltd. (In re Augie/Restivo Baking Co., Ltd.), 860 F.2d 515, 518 n.1 (2d Cir. 1988). See Alexander v. Compton (In re Bonham), 229 F.3d 750, 766 (9th Cir. 2000) (adopting the Augie/Restivo test for substantive consolidation because it "is more grounded in substantive consolidation and economic theory; it is also more easily applied"). When deciding whether substantive consolidation is appropriate, courts in the Ninth Circuit consider two alternative factors: "(1) whether creditors dealt with the entities as a single economic unit and did not rely on their separate identity in extending credit; or (2) whether the affairs of the debtor are so entangled that consolidation will benefit all creditors." Id. at 766 (citing Augie/Restivo, 860 F.2d at 518). According to the Bonham decision, either factor may constitute a sufficient basis to order substantive consolidation. Id.

74. In these Chapter 11 Cases, Debtor SLCC was established solely for the purpose of serving as a co-issuer of the Mortgage Notes and, as such, does not have, and has never had, any operations, assets, or revenues. Thus, SLCC's creditors effectively treated the Debtors as a single economic unit and did not rely on the Debtors' separate identities in extending credit. In addition, the proposed substantive consolidation will not affect the legal and organizational structure of the Reorganized Debtors or their separate corporate existences

or any prepetition or postpetition guarantees, Liens,[2] or security interests that are required to be maintained under the Bankruptcy Code, under the Plan, any contract, instrument, or other agreement or document pursuant to the Plan (including the New First Lien Credit Agreement, the New Second Lien Indenture, the New Subordinated Notes or the Cram-Down Notes, as applicable), or any contracts or leases that were assumed or entered into during the Chapter 11 Cases.

V. THE NOTEHOLDER SETTLEMENT AMONG THE DEBTORS, BLACK DIAMOND, THE INDENTURE TRUSTEE AND CAP RE IS REASONABLE, FAIR AND EQUITABLE

75. Bankruptcy Rule 9019(a) expressly authorizes the Bankruptcy Court to approve a settlement proposed by the debtor. Fed. R. Bankr. P. 9019(a) ("On motion by the trustee and after notice and a hearing, the court may approve a compromise or settlement."). "The bankruptcy court has great latitude in approving compromise agreements." See Woodson v. Fireman's Fund Ins. Co. (In re Woodson), 839 F.2d 610, 620 (9th Cir. 1988). In evaluating a proposed settlement, the Bankruptcy Court should also be mindful that "[t]he law favors compromise and not litigation for its own sake." See Martin v. Kane (In re A&C Props.), 784 F.2d 1377, 1381 (9th Cir. 1986). The overarching consideration in determining whether to approve a settlement is whether the compromise is reasonable, fair, and equitable. See id.

76. Courts in the Ninth Circuit must consider the following factors in deciding whether a settlement meets this standard: (a) the probability of success in the litigation of the dispute; (b) the difficulties to be encountered, if any, in the collection of an award; (c) the complexity, expense, inconvenience and delay of litigation; and (d) the interest of creditors in the case, giving deference to any reasonable views expressed. See In re Endoscopy Ctr. of S. Nevada, LLC, 451 B.R. 527, 535-36 (Bankr. D. Nev. 2011) (citing A&C Props., 784 F.2d at 1381). The Bankruptcy Court may also give weight to the debtor's informed judgment that a compromise is fair and equitable, and approve a compromise that

[2] "Lien" as that term is used herein means a "lien" as defined in Bankruptcy Code section 101(37), and, with respect to any asset, includes, without limitation, any mortgage, lien, pledge, charge, security interest or other encumbrance of any kind, or any other type of preferential arrangement that has the practical effect of creating a lien or security interest, in respect of such asset.

falls "above the lowest point in the range of reasonableness." See In re Drexel Burnham Lambert Grp., Inc., 134 B.R. 493, 497 (Bankr. S.D.N.Y. 1991).

77. The Noteholder Settlement is a fair, reasonable and equitable resolution of the principal disputes among the major parties in interest in these Chapter 11 Cases and provides the Debtors with a clear path to an expeditious and consensual confirmation and consummation of the Debtors' Consensual Plan. In addition to providing certainty surrounding the Debtors' confirmation process and significant cost savings, the proposed resolution favors the Debtors on all major points, including that (i) the major impediment to Debtors' confirmation of the Consensual Plan, Black Diamond's rejecting vote, is withdrawn, (ii) the Debtors have flexibility to pursue the Cram-Down Plan if their efforts to confirm or consummate the Consensual Plan should fail, and (iii) Black Diamond will pay certain litigation-related fees and expenses incurred by the Debtors.

78. Moreover, each of the four factors under the Ninth Circuit's test favors approval of the proposed settlement. See A&C Props., 784 F.2d at 1381. First, there is always a risk, especially in heavily contested confirmation trials, that a plan will not ultimately be confirmed or consummated. This factor highlights thus one of the principal benefits of the proposed settlement: the risk that the Plan will not be confirmed is dramatically reduced and, assuming that the Consensual Plan is confirmed, there is absolutely no risk that the confirmation order or this Court's ruling on the Designation Motion will be appealed by Black Diamond, the Indenture Trustee and/or Cap Re.

79. Second, the proposed settlement streamlines and expedites the collection of the settlement payment to be paid by Black Diamond to the Debtors. Not only does the proposed settlement foreclose any possible appeal and concomitant delay in the Debtors attempting to collect the settlement payment, but the Stipulation also provides that, if necessary, the Debtors will be authorized to collect the $325,000 settlement payment on the Effective Date by operation of a set-off against the cash distributions otherwise payable to Black Diamond under the Consensual Plan, thereby removing any risk that the settlement payment would not be paid to the Debtors.

80. Third, the Plan-related litigation in this case is complex, expensive and has already caused—and would continue to cause—undue delay in the Debtors' emergence from chapter 11. Moreover, the possibility of attempted post-confirmation appeals of any order confirming the Plan or addressing the Designation Motion could delay the Debtors' efforts in having the Plan become effective. In light of the number of issues that would be litigated absent the proposed settlement, it is beyond question that the Debtors and their estates would incur substantial additional administrative expenses. Accordingly, the third factor favors approval of the proposed settlement.

81. Fourth, the proposed settlement is in the interests of all of the Debtors' creditor constituencies and is supported by the Indenture Trustee, Black Diamond and Cap Re (which together hold approximately 74% of the Mortgage Notes). The proposed Noteholder Settlement also is in the interests of the other holders of the Mortgage Notes—who overwhelmingly voted in favor of the Plan—because, by allowing for the prompt confirmation and consummation of the Plan, Noteholders will in all likelihood receive their distributions under the Plan before the end of 2012. Similarly, the sooner that the Effective Date is achieved, the sooner the Debtors can commence making payments to general unsecured creditors under the Plan (in the form of four equal payments paid quarterly following the Effective Date of the Plan). Accordingly, the Noteholder Settlement is in the interests of the Debtors' creditors.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDICATED AND DECREED THAT:

82. The Plan is, and each of its provisions are, confirmed in each and every respect pursuant to Bankruptcy Code section 1129.

83. Any objections, responses to or reservations of rights regarding confirmation of the Plan or any terms of the Plan, whether filed or stated orally in court, other than those withdrawn with prejudice in their entirety prior to or on the record at the Confirmation Hearing or that have been rendered moot, are denied and overruled on the merits.

84. The failure to specifically make reference to any particular provision of the Plan in this Confirmation Order shall not impair or diminish the effectiveness of any such provision, it being the intent of the Court that the Plan is confirmed in its entirety, and that each term and provision of the Plan is valid and enforceable pursuant to its terms. A copy of the Plan is attached hereto as Exhibit 1 and is incorporated herein in its entirety by this reference.

85. Continued Corporate Existence; Vesting of Assets. The Reorganized Debtors shall continue to exist after the Effective Date, with all the corporate or partnership powers, as applicable, under applicable law and without prejudice to any right to alter or terminate such existence (whether by merger, dissolution or otherwise) under applicable state law, and the Debtors may enter into and consummate one or more corporate restructuring transactions, including, but not limited to, changing the business or corporate form of either or both of the Debtors or dissolving Silver Legacy Capital Corp., in each case subject to the terms and conditions of the New First Lien Credit Agreement. Except as otherwise expressly provided in the Plan or this Confirmation Order, as of the Effective Date, all property of the Estates of the Debtors, and any property acquired by the Debtors or the Reorganized Debtors under the Plan, shall vest in the Reorganized Debtors, free and clear of all Claims, Liens, charges, other encumbrances and interests, other than those expressly provided for in connection with the New First Lien Term Loan, the New Second Lien Indenture, and the New Second Lien Notes and the respective collateral and security documents delivered in connection therewith. The Liens and security interests to be granted by the Reorganized Debtors (or by any other party to secure the obligations of the Reorganized Debtors under the New First Lien Credit Agreement, the New Second Lien Indenture or the New Second Lien Notes) pursuant to the respective terms of the New First Lien Credit Agreement, the New Second Lien Indenture and the New Second Lien Notes and the respective collateral and security documents delivered in connection therewith shall be deemed perfected as of the Effective Date, subject only to such Liens and security interests as of the Effective Date that are expressly permitted under the New First Lien Credit Agreement, the New Second Lien Indenture, and the New Second Lien Notes, respectively. On and after the Effective Date, the Reorganized Debtors may operate their

businesses and may use, acquire and dispose of property and compromise or settle any Claims without supervision or approval by the Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan or this Confirmation Order. Without limiting the foregoing, the Reorganized Debtors may pay the charges that they incur on or after the Effective Date for Professionals' fees, disbursements, expenses or related support services (including fees relating to the preparation of Professional fee applications) without application to the Court.

86. Cancellation and Surrender of Instruments. Except as provided in any contract, instrument or other agreement or document entered into or delivered in connection with the Plan or this Confirmation Order, on the Effective Date and concurrently with the applicable distributions made pursuant to Article III of the Plan, the Mortgage Notes Indenture, the Mortgage Notes, the Existing Deed of Trust[3] and any securities, notes, documents and instruments which evidence such Claims shall (1) be canceled and (2) have no further force and effect other than the right to participate in distributions, if any, provided under the Plan in respect of such Claims, without any further action on the part of the Debtors or Reorganized Debtors. The holders of or parties to such canceled instruments, securities and other documentation will have no rights arising from or relating to such instruments, securities and other documentation or the cancellation thereof, except the rights provided pursuant to the Plan; provided, however, that no distribution under the Plan will be made to or on behalf of any holder of an Allowed Claim evidenced by such canceled instruments or securities unless and until such instruments or securities are received by the applicable Disbursing Agent or Indenture Trustee to the extent required in Article VI.H. On the Effective Date, the Mortgage Notes Indenture, the Mortgage Notes, and the Existing Deed of Trust shall be cancelled and/or released, as applicable, except for purposes of effectuating the distributions under the Plan and allowing the Indenture Trustee to retain all charging liens pursuant to the terms of the Indenture

[3] "Existing Deed of Trust" as used herein means the Deed of Trust, Fixture Filing, and Security Agreement with Assignment of Rents, dated as of February 6, 2002 by Circus and Eldorado Joint Venture, as debtor and trustor, First American Title Company of Nevada, as trustee, for the benefit of The Bank of New York, as beneficiary (as amended, modified, supplemented or restated from time to time).

with respect to distributions under the Plan. The Indenture Trustee shall cooperate with the Debtors to effectuate the release and/or cancellation of the Mortgage Notes Indenture, the Mortgage Notes and the Existing Deed of Trust. Except as expressly provided in the Plan and this Confirmation Order, the Debtors, on the one hand, and the Indenture Trustee, on the other hand, shall be released from any and all obligations under the Mortgage Notes Indenture except with respect to the distributions required to be made to the Indenture Trustee as provided in the Plan.

87. Cancellation of Liens. Except as provided in any contract, instrument or other agreement or document entered into or delivered in connection with the Plan or this Confirmation Order, on the Effective Date and concurrently with the applicable distributions made pursuant to Article III of the Plan, any Lien securing any Secured Claim (including, but not limited to, the Liens securing the Mortgage Notes) shall be deemed released, and the Holder of such Secured Claim shall be authorized and directed to release any collateral or other property of any Debtor (including any cash collateral) held by such Holder and to take such actions as may be requested by the Reorganized Debtors to evidence the release and/or cancellation of such Lien (including, but not limited to, the release and/or cancellation of the Existing Deed of Trust), including the execution, delivery, and filing or recording of such releases and/or cancellations as may be requested by the Reorganized Debtors. To the extent that any such release and/or cancellation is not promptly delivered, filed, or otherwise effected by such Holders to the satisfaction of the Reorganized Debtors, the Reorganized Debtors shall be authorized to execute, file, record, deliver, or otherwise cause such releases and/or cancellations without further notice or order of this Court.

88. Restructuring Transactions. The transactions contemplated by the Plan and/or this Confirmation Order (collectively, the "Restructuring Transactions"), including, but not limited to, the Debtors' entry into the New First Lien Credit Agreement and New Second Lien Indenture and issuance of the New Second Lien Notes and the New Subordinated Notes, are hereby approved in all respects. Subject to the immediately following paragraph, all of the agreements, documents or instruments referred to in Article IV of the Plan or otherwise

contained in the Plan, or executed and delivered in connection with implementing the transactions contemplated by the Plan and/or this Confirmation Order, including, but not limited to, the Commitment Letter and the Fee Letter (collectively, the "Restructuring Agreements"), are also approved in all respects. The parties to the Restructuring Agreements, including the Debtors, are authorized and directed to execute and deliver, and to consummate the transactions contemplated by, the Restructuring Agreements in accordance with the Plan and this Confirmation Order; provided that the obligations of Wells Fargo shall be subject to the terms and conditions of the Commitment Letter. Subject to the occurrence of the Effective Date, nothing contained in the Plan or this Confirmation Order shall limit, impair or preclude any person or entity from exercising their respective rights after the Effective Date pursuant to, and in accordance with, the terms and conditions of the Restructuring Agreements.

89. The Debtors shall file a second amended Plan Supplement attaching a substantially final version of the New First Lien Credit Agreement (the "Second Amended Plan Supplement") on or before October 25, 2012. If (a) no party in interest files an objection to the substantially final version of the New First Lien Credit Agreement on or before the third (3rd) business day after the date of the filing of the Second Amended Plan Supplement and the Court does not independently have questions regarding the Second Amended Plan Supplement or the New First Lien Credit Agreement, or (b) any such objections are overruled by the Court or withdrawn by the objecting party, then, in either case, without the need of any further order from this Court or any further action or notice from the Debtors or any other party, and without altering, modifying or limiting the waiver of the 14-day stay period provided in paragraph 115 below, (i) the form of the New First Lien Credit Agreement shall be approved in all respects as of the date hereof, (ii) the New First Lien Credit Agreement shall be treated as a Restructuring Agreement as set forth herein and (iii) the Debtors, Wells Fargo and any other applicable parties thereto shall be authorized to promptly execute and deliver, and to promptly consummate the transactions contemplated by, the New First Lien Credit Agreement. If any party in interest timely files an objection to the New First Lien Credit Agreement, the Court shall hold a hearing on November 5, 2012 at 11:00 a.m. Pacific time to consider any such

objection. Any reply to any objection to the New First Lien Credit Agreement shall be filed on or before November 2, 2012.

90. The Debtors are authorized to take or cause to be taken all corporate or partnership actions, as applicable, necessary or appropriate to consummate and implement the provisions of the Plan and the Restructuring Transactions, and all such actions taken or caused to be taken shall be deemed to have been authorized and approved by the Court without any requirement of further action by the stockholders, directors, managers, executive committee, partners or members of any of the Debtors (but, without prejudice to the foregoing, the Debtors shall take or cause to be taken any such further action expressly required to be taken by the New First Lien Credit Agreement). On the Effective Date, the appropriate officers and partners of the Debtors are authorized and directed to execute and deliver the agreements, documents and instruments contemplated by the Plan, including the agreements, documents and instruments required to effectuate each and every one of the Restructuring Transactions, in each case without further notice to or order of the Court or without any requirement of further action by the stockholders, directors, managers, executive committee, partners or members of any of the Debtors (but, without prejudice to the foregoing, the Debtors shall take or cause to be taken any such further action expressly required to be taken by the New First Lien Credit Agreement). After the Effective Date, the Reorganized Debtors are authorized to undertake all such actions.

91. Approval of Assumption of Executory Contracts and Unexpired Leases. The executory contract and unexpired lease provisions of Article V of the Plan are hereby approved and the Debtors' assumption of executory contracts and unexpired leases pursuant to the Plan, and proposed adequate assurance of performance under the assumed executory contracts and unexpired leases, is approved. Each non-Debtor counterparty to an executory contract or unexpired lease with the Debtors is deemed to have consented to the assumption of its executory contract or unexpired lease, as applicable, in accordance with Section 365.

92. Discharge. Except as provided in the Plan, this Confirmation Order or any Restructuring Agreement, the rights afforded under the Plan and the treatment of Claims

under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims against the Debtors arising on or before the Effective Date, including any interest accrued on Claims from the Petition Date. In accordance with the foregoing, except as provided in the Plan or this Confirmation Order, this Confirmation Order will be a judicial determination, as of the Effective Date, of a discharge of all Claims and other debts and liabilities against the Debtors, pursuant to sections 524 and 1141 of the Bankruptcy Code, and such discharge will void any judgment obtained against the Debtors at any time, to the extent that such judgment relates to a discharged Claim.

93. Approval of Settlement, Releases, Exculpation and Injunction. Without limiting or diminishing any other provision of the Plan, the settlement, releases, exculpation and injunction provisions contained in Article IX of the Plan are approved in their entirety.

94. Approval of the Stipulation. The 9019 Motion is granted in its entirety. The Noteholder Settlement set forth in the Stipulation is reasonable, fair and equitable and in the best interests of the Estates, and, accordingly, the Stipulation and the Noteholder Settlement hereby are approved in all respects.

95. Indenture Trustee Under New Second Lien Indenture. In accordance with the Stipulation and the Noteholder Settlement set forth therein, the Indenture Trustee is authorized and directed to serve as indenture trustee under the New Second Lien Indenture.

96. Injunction. In order to preserve and promote the settlements contemplated by and provided for in the Plan and except as otherwise expressly provided in the Plan, this Confirmation Order or any Restructuring Agreement, all Persons and any Person claiming by or through them, which have held or asserted, which currently hold or assert, or which may hold or assert any Claims or any other Causes of Action, obligations, suits, judgments, damages, debts, rights, remedies, or liabilities of any nature whatsoever, and all Equity Interests, or other rights of a Holder of an equity security or other ownership interest, against any of the Released Parties based upon, attributable to, arising out of or relating to any Claim against or Equity Interest in any of the Debtors, whenever and wherever arising or asserted, whether sounding in tort, contract, warranty or any other theory of law, equity or

admiralty, shall be, and shall be deemed to be, permanently stayed, restrained and enjoined from taking any action against any of the Released Parties for the purpose of directly or indirectly collecting, recovering or receiving any payment or recovery with respect to any such Claims or other Causes of Action, obligations, suits, judgments, damages, debts, rights remedies or liability, and all Equity Interests or other rights of a Holder of an equity security or other ownership interest, arising prior to the Effective Date, including, but not limited to (i) commencing or continuing in any manner any action or other proceeding, (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order, (iii) creating, perfecting or enforcing any Lien or encumbrance, (iv) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to any Released Party, and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the terms of the Plan.

97. Approval of Preservation of Causes of Action. Without limiting or diminishing any other provision of the Plan, Article IV.E of the Plan, which provides, among other things, that, except as provided in the Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, in accordance with Bankruptcy Code section 1123(b), the Reorganized Debtors will retain and may enforce any claims, demands, rights and Causes of Action that the Debtors or the Estates may hold against any entity, to the extent not released under Article IX.D of the Plan, is approved in its entirety.

98. Plan Classification Controlling. The classification of Claims and Equity Interests for purposes of the distributions to be made under the Plan shall be governed solely by the terms of the Plan. The classifications set forth on the Ballots tendered to the Debtors' creditors in connection with voting on the Plan (a) were set forth on the Ballots solely for purposes of voting to accept or reject the Plan, (b) do not necessarily represent and in no event shall be deemed to modify or otherwise affect, the actual classifications of such Claims under the Plan or for distribution purposes, and (c) shall not be binding on the Debtors, their Estates or the Reorganized Debtors.

99. Stay. Unless otherwise provided in the Plan, all injunctions or stays provided for in the Chapter 11 Cases pursuant to Bankruptcy Code sections 105 and 362, or otherwise, and in existence on the date of the entry of this Confirmation Order, shall remain in full force and effect until the Effective Date. Upon the Effective Date, and without in any way limiting the injunction provided for in this Confirmation Order, the injunction provided in Article IX of the Plan shall apply. Notwithstanding anything to the contrary in the Plan or this Confirmation Order, nothing herein shall bar the filing of financing documents or the taking of such other actions as are necessary to effectuate the Restructuring Transactions.

100. Substantive Consolidation. The limited substantive consolidation of the Debtors and their estates as set forth in the Plan is hereby approved.

101. Approval of Solicitation. The solicitation of votes on the Plan by the Debtors, with the assistance of their professionals, including the service of the August 8 Notice on all creditors entitled to vote on the Plan, was appropriate in all respects, provided adequate notice to all parties in interest (including voting creditors), comported with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and this Court's Disclosure Statement Order and, accordingly, hereby is approved.

102. Exemption from Certain Transfer Taxes. Pursuant to Bankruptcy Code section 1146(a), the issuance, transfer, or exchange of any security, or the making, delivery, filing, or recording of any instrument of transfer under, or in connection with, the Plan shall not be taxed under any law imposing a recording tax, stamp tax, transfer tax, or similar tax. Without limiting the foregoing, any transfers from a Debtor to a Reorganized Debtor or to any other person pursuant to the Plan, as contemplated by the Plan, shall not be subject to any document recording tax, stamp tax, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording tax, or other similar tax or governmental assessment. All filing and recording officers (or any other person with authority over the foregoing), wherever located and by whomever appointed, shall comply with the requirements of Bankruptcy Code section 1146(a), shall forego the collection of any such tax or governmental assessment, and shall accept for filing and recordation any of the foregoing instruments or other documents

without the payment of any such tax or governmental assessment. The Court shall retain specific jurisdiction with respect to these matters.

103. Exemption from Securities Laws. To the maximum extent provided by Bankruptcy Code section 1145 and applicable non-bankruptcy law, (i) to the extent that the Debtors' solicitation of acceptances of the Plan is deemed to constitute an offer or sale of new securities, the Debtors are exempt from the registration requirements of the Securities Act of 1933, as amended, and state or local laws of similar effect and (ii) the Restructuring Transactions shall be exempt from registration under the Securities Act of 1933, as amended, and all rules and regulations promulgated thereunder and any state or local law requiring registration prior to the offering, issuance, distribution, or sale of securities.

104. Dissolution of Official Committees. On the Effective Date, any official committee appointed by the Office of the United States Trustee in these Chapter 11 Cases shall dissolve automatically and its members shall be released and discharged from all rights, duties and responsibilities arising from or related to the Chapter 11 Cases; provided, however, that the Committee shall retain the right to review and object, if necessary, to any applications by professionals retained at the expense of the Estates for allowance of compensation and reimbursement of expenses, including interim applications, as well as those Filed and served after the Effective Date pursuant to Article III.A.1.d of the Plan, and appear at any hearings thereon.

105. Retention of Jurisdiction. Pursuant to Bankruptcy Code sections 105(a) and 1142, and notwithstanding the entry of this Confirmation Order or the occurrence of the Effective Date, but subject to the next sentence, the Court shall retain exclusive jurisdiction as provided in the Plan over all matters arising out of, and related to, the Chapter 11 Cases and the Plan to the fullest extent permitted by law, including, but not limited to, those matters set forth in Article X of the Plan. Notwithstanding anything to the contrary in the Plan or this Confirmation Order, this Court's retention of jurisdiction under the Plan and this Confirmation Order shall not govern the enforcement of the New First Lien Credit Agreement or the related

collateral and security documents or any rights or remedies of the parties related thereto or arising thereunder, all of which shall be governed by the terms and conditions set forth therein.

106. Return of Utility Deposits. All utilities, including any person who received a deposit or other form of adequate assurance of performance pursuant to Bankruptcy Code section 366 during these Chapter 11 Cases (collectively, the "Deposits"), including, gas, electric, telephone, water, trash and sewer services shall return such Deposit(s) to the Reorganized Debtors by no later than 10 business days after the Effective Date, and as of the date of this Order, such utilities are not entitled to make requests for or receive Deposits.

107. Administrative Claims Bar Date. Except as otherwise provided in the Plan, requests for payment of Administrative Claims (other than Professional Fee Claims), to the extent not already filed as of the date of this Order, must be filed and served on Reorganized Debtors and their counsel by no later than thirty (30) days after the Effective Date. Holders of Administrative Claims (other than Professional Fee Claims) that are required to, but do not, file and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped and enjoined from asserting such Administrative Claims against the Reorganized Debtors or their property and such Administrative Claims shall be deemed discharged as of the Effective Date. Notwithstanding the foregoing, no request for payment of an Administrative Claim need be filed with respect to an Administrative Claim previously Allowed by Final Order, including any Administrative Claims expressly Allowed under the Plan. The Reorganized Debtors, in their sole and absolute discretion, may settle and pay any Administrative Claim in the ordinary course of business without any further notice to or action, order, or approval of the Court.

108. Notice of Confirmation Order and Effective Date. The Debtors shall serve notice of the entry of this Confirmation Order to those parties that appeared at the Confirmation Hearing and those parties that have requested special notice in these Chapter 11 Cases. Such service constitutes good and sufficient notice pursuant to Bankruptcy Rules 2002(f)(7) and 3020(c). On the Effective Date, or as soon thereafter as is reasonably practicable, the Debtors shall file with the Court a "Notice of Effective Date" and serve such

notice by first class mail upon those persons that have requested special notice in these Chapter 11 Cases, which service shall constitute appropriate and adequate notice that the Plan has become effective.

109. Final Order. This Confirmation Order is a Final Order and the period in which an appeal must be filed shall commence immediately upon the entry of this Confirmation Order.

110. Separate Confirmation Order. This Confirmation Order is and shall be deemed to be a separate Confirmation Order with respect to each of the Debtors and Estates, and it shall be sufficient for the purposes thereof that the Clerk of the Bankruptcy Court enters this Confirmation Order on the docket of the jointly administered case, Case No. 12-51156-BTB.

111. Effect of Conflict between Plan and Confirmation Order. If there is any direct conflict between the terms of the Plan and the terms of this Confirmation Order, this Confirmation Order shall control.

112. Reversal. If any or all of the provisions of this Confirmation Order are hereafter reversed, modified or vacated by subsequent order of this Court or any other court, such reversal, modification or vacatur shall not affect the validity or propriety of the acts or obligations incurred or undertaken under or in connection with the Plan prior to the Debtors' and any other applicable party's receipt of written notice of such order. Notwithstanding any such reversal, modification or vacatur of this Confirmation Order, any such act or obligation incurred or undertaken pursuant to, and in reliance on, this Confirmation Order prior to the effective date and receipt of written notice of such reversal, modification or vacatur shall be governed in all respects by the original provisions of this Confirmation Order and the Plan.

113. Failure to Consummate Plan. If consummation of the Plan does not occur, then the Plan, any settlement or compromise embodied in the Plan, the assumption or rejection of executory contracts or leases effected by the Plan, and any document or agreement executed pursuant to the Plan (except for the Commitment Letter and the Fee Letter), shall be null and void; provided, however, that the failure to consummate the Plan shall not affect the

respective rights of the Debtors, Black Diamond, Cap Re and the Indenture Trustee under the Stipulation. In such event, nothing contained in the Plan, the Disclosure Statement, or this Confirmation Order, and no acts taken in preparation for consummation of the Plan, shall be deemed to constitute a waiver or release of any Claims by or against the Debtors or any other party, to prejudice in any manner the rights of the Debtors, the Holder of a Claim or Equity Interest, or any other party in any further proceedings involving the Debtors or to constitute an admission of any sort by the Debtors or any other party, or be construed as a finding of fact or conclusion of law with respect thereto.

114. Payment of Statutory Fees. All fees payable pursuant to section 1930 of title 28 of the United States Code shall be paid on or before the Effective Date, and shall continue to be paid on a quarterly basis until the Chapter 11 Cases are closed and the entry of a final decree.

115. Binding Effect; Waiver of Fed. R. Bankr. P. 3020(e) and Fed. R. Civ. Proc. 62(a). The 14-day stay provided by Bankruptcy Rule 3020(e) and Federal Rule of Civil Procedure 62(a) shall not apply to this Confirmation Order and is hereby waived. Immediately upon entry of this Confirmation Order: (a) the provisions of the Plan shall be binding upon (i) the Debtors, (ii) the Reorganized Debtors, (iii) all Holders of Claims against and Equity Interests in the Debtors, whether or not impaired under the Plan and whether or not, if impaired, such Holders accepted the Plan, (iv) any other party in interest, and (v) each of the foregoing's respective heirs, successors, assigns, trustees, executors, affiliates, officers, directors, agents, representatives, attorneys, or beneficiaries and (b) the Debtors are authorized to consummate the Plan immediately upon entry of this Confirmation Order.

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SUBMITTED BY:

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In accordance with LR 9021, counsel submitting this document certifies that Debtors filed their *Notice of Filing of Findings of Fact, Conclusions of Law, and Order Confirming Debtors' First Amended Joint Chapter 11 Plan of Reorganization (Dated June 1, 2012)* [Doc 710] on October 18, 2012; and after receiving comments and suggestions filed their *Notice of Filing of Updated Findings of Fact, Conclusions of Law, and Order Confirming Debtors' First Amended Joint Chapter 11 Plan of Reorganization (Dated June 1, 2012)* [Doc 729] on October 22, 2012 (the "Order"); and, further certifies as follows (check one):

☐ The court has waived the requirements set forth in LR 9021.

☐ This is a Chapter 7 or 13 case, and either with the motion, or at the hearing, I have delivered a copy of this proposed order to all counsel who appeared at the hearing, any unrepresented parties who appeared at the hearing, and any trustee appointed in this case, and each has approved or disapproved the order, or failed to respond, as indicated below (list each party and whether the party has approved, disapproved, or failed to respond to the document).

☐ This is a Chapter 9, 11, or 15 case, and I have delivered a copy of this proposed order to the Trial Attorney for Acting United States Trustee (all counsel who appeared at the hearing waived signature), he has approved the Order as indicated below (list each party and whether the party has approved, disapproved, or failed to respond to the document):

☒ I have served a copy of this Order via ECF, and none of the parties appearing at the hearing on October 22, 2012, have made any objection to this Order.