

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

Case No. 08-53104

GREEKTOWN HOLDINGS, L.L.C., et al.<sup>1</sup>

In Proceedings Under  
Chapter 11

Debtors.

Jointly Administered

Hon. Walter Shapero

**JOINT PLANS OF REORGANIZATION**

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<sup>1</sup> The Debtors' bankruptcy cases are jointly administered with Greektown Holdings, L.L.C., Case No. 08-53104; Greektown Casino, L.L.C., Case No. 08-53106; Kewadin Greektown Casino, L.L.C., Case No. 08-53105; Monroe Partners, L.L.C., 08-53107; Greektown Holdings II, Inc., Case No. 08-53108; Contract Builders Corporation, Case No. 08-53110; Realty Equity Company Inc., Case No. 08-53112; and Trappers GC Partner, LLC, Case No. 08-53111.



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**THE PLAN PROPONENTS EXPRESSLY RESERVE THEIR RIGHT TO AMEND THIS DRAFT PLAN. THIS DRAFT PLAN IS NOT A SOLICITATION OF ACCEPTANCES OF A CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OF THE BANKRUPTCY CODE. ANY SOLICITATION BY THE PLAN PROPONENTS OF ANY PLAN IN THESE CHAPTER 11 CASES WILL COMPLY WITH ALL PROVISIONS OF THE BANKRUPTCY CODE.**

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## ARTICLE I

### **DEFINITIONS, RULES OF INTERPRETATION AND COMPUTATION OF TIME**

#### 1.1 **Scope of Definitions.**

For purposes of this Plan, except as expressly provided otherwise or unless the context requires otherwise, all capitalized terms not otherwise defined shall have the meanings set forth in section 1.2 of this Plan. Any term used in this Plan that is not defined herein, but is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning set forth in the Bankruptcy Code or the Bankruptcy Rules.

#### 1.2 **Definitions.**

1.2.1 "**Additional Plan Note**" means a secured promissory note, junior to the Plan Note, in favor of the Pre-petition Lenders, including all related agreements, supplements, appendices and schedules thereto.

1.2.2 "**Administrative Claim**" means a Claim for payment of an administrative expense of a kind specified in section 503(b) of the Bankruptcy Code and entitled to priority pursuant to section 507(a)(2) of the Bankruptcy Code, including, but not limited to, the actual, necessary costs and expenses, incurred on or after the Petition Date, of preserving the Estates and operating the business of the Debtors, including wages, salaries, or commissions for services rendered after the Petition Date, Professional Claims, all fees and charges assessed against the Estates under chapter 123 of title 28, United States Code, and all Allowed Claims that are entitled to be treated as Administrative Claims pursuant to a Final Order of the Bankruptcy Court under section 546(c) of the Bankruptcy Code, provided, however, that this term shall not include any portion of the DIP Facility Claim or the Pre-petition Credit Agreement Claim, whether or not all or part of the DIP Facility Claim or the Pre-petition Credit Agreement Claim are entitled to priority under sections 503(b), 507, 363, or 364 of the Bankruptcy Code, or otherwise.

1.2.3 "**Administrative Claims Bar Date**" means the deadline for filing proofs of or requests for payment of Administrative Claims, which shall be 45 days after the Effective Date, unless otherwise ordered by the Bankruptcy Court.

1.2.4 "**Affiliate Debtors**" means Builders, Holdings II, Kewadin, Monroe, Realty, and Trappers.

1.2.5 "**Affiliate**" has the meaning set forth at section 101(2) of the Bankruptcy Code.

1.2.6 "**Allowed**"

1.2.6.1 means with respect to a Claim: (a) a Claim, proof of which is timely Filed by the applicable Bar Date (or that pursuant to the Bankruptcy Code or a Final Order is not or shall not be required to be Filed); (b) any Claim for which no Proof of Claim has been timely Filed and that is listed in the Schedules as of the Effective Date, and is not listed as disputed, contingent, or unliquidated; or (c) any Claim allowed pursuant to this Plan or a Final Order; provided, however, that with respect to any Claim described in clauses (a) or (b) above, such Claim shall be considered Allowed only if and to the extent that no objection thereto has been interposed before the later of (y) the Claim Objection Deadline or (z) any other applicable deadline fixed by this Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court.

1.2.6.2 means with respect to an Interest: an Interest in any Debtor which has been or hereafter is listed by such Debtor in its books and records as liquidated in an amount and not disputed or contingent; provided, however, that proofs of Interest need not be Filed in the Bankruptcy Court with respect to any Interests; and provided further, however, that any of the Debtors or Reorganized Debtors, in their discretion, may bring an objection or motion with respect to a Disputed Interest before the Bankruptcy Court for resolution.

1.2.7 "**Allowed Amount**" means, with respect to an Allowed Claim, the amount of such Claim that is Allowed.

1.2.8 "**Allowed Claim**" means a Claim, or any portion thereof, that is Allowed. Except as otherwise specified in this Plan or any Final Order, the amount of an Allowed Claim shall not include interest on such Claim from and after the Petition Date.

1.2.9 "**Allowed Class . . . Claim**" or "**Allowed Class . . . Interest**" means an Allowed Claim or an Allowed Interest in the specified Class.

1.2.10 "**Allowed Interest**" means an Interest in any Debtor that is Allowed.

1.2.11 "**Alternative Proposal**" means any proposal received by the Plan Proponents from any party in interest for the purchase of substantially all of the assets of Casino or all the New Equity of either Casino or Holdings.

1.2.12 "**Asset Debtor**" means Builders, Realty and Trappers.

- 1.2.13 "**Assumed Contracts**" means the executory contracts and leases to be assumed by the Reorganizing Debtors pursuant to this Plan.
- 1.2.14 "**Avoidance Claims**" means Causes of Action or defenses arising under (i) any of sections 502, 510, 541, 542, 543, 544, 545, 547, 548, 549, 550, 551, or 553 of the Bankruptcy Code, or (ii) similar or related state or federal statutes and common law, including fraudulent transfer laws, whether or not litigation has been commenced as of the Confirmation Date to prosecute such Causes of Action.
- 1.2.15 "**Ballot**" means each of the ballot forms that is distributed with the Disclosure Statement to Holders of Claims and Interests included in Classes that are Impaired under this Plan and entitled to vote under the terms of this Plan.
- 1.2.16 "**Bankruptcy Code**" means the Bankruptcy Reform Act of 1978, as amended and codified in title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as in effect on the Petition Date.
- 1.2.17 "**Bankruptcy Court**" means the United States Bankruptcy Court for the Eastern District of Michigan, Southern Division, or such other court as may have jurisdiction over the Chapter 11 Cases.
- 1.2.18 "**Bankruptcy Rules**" means the Federal Rules of Bankruptcy Procedure and the Official Bankruptcy Forms, as amended, the Federal Rules of Civil Procedure, as amended, as applicable to the Chapter 11 Cases or proceedings therein, and the Local Rules of the Bankruptcy Court, as applicable to the Chapter 11 Cases or proceedings therein, as the case may be.
- 1.2.19 "**Bar Date**" means the deadlines established by the Bankruptcy Court pursuant to the Bar Date Order or other Final Order for filing proofs of claim in the Chapter 11 Cases, as the context may require. Except as explicitly provided in the Bar Date Order, the Bar Date was November 30, 2008.
- 1.2.20 "**Bar Date Order**" means the order entered by the Bankruptcy Court on August 25, 2008, at Docket No. 320, which established the Bar Date, and any subsequent order supplementing such initial order or relating thereto.
- 1.2.21 "**Bonds**" means the senior notes issued by Holdings and Holdings II and maturing in 2013, pursuant to the Indenture.

- 1.2.22 "**Bond Claims**" means the Claims arising out of or related to the Bonds, evidenced by the Proofs of Claim identified by the Claims Agent as claim numbers 199, 200, 201 and 202.
- 1.2.23 "**Builders**" means Contract Builders Corporation, a Michigan corporation, which is a Debtor in possession under the Chapter 11 Case No. 08-53110 being jointly administered with the other Chapter 11 Cases.
- 1.2.24 "**Builders Property**" means all of the real property owned by Builders.
- 1.2.25 "**Business Day**" means any day, excluding Saturdays, Sundays, and "legal holidays" (as defined in Bankruptcy Rule 9006(a)), on which commercial banks are open for business in the City of Detroit.
- 1.2.26 "**Cash**" means legal tender of the United States of America and equivalents thereof.
- 1.2.27 "**Casino**" means Greektown Casino, L.L.C., a Michigan limited liability company, which is a Debtor in possession under the Chapter 11 Case No. 08-53106 being jointly administered with the other Chapter 11 Cases.
- 1.2.28 "**Causes of Action**" means any and all actions, proceedings, causes of action, suits, accounts, demands, controversies, agreements, promises, rights to legal remedies, rights to equitable remedies, rights to payment, and claims, whether known, unknown, reduced to judgment, not reduced to judgment, liquidated, unliquidated, fixed, contingent, non-contingent, matured, unmatured, disputed, undisputed, secured, or unsecured, and whether asserted or assertable directly or derivatively in law, equity, or otherwise, including Avoidance Claims, to the extent such Cause of Action is held by the Debtors or the Reorganized Debtors.
- 1.2.29 "**Certain Noteholders**" means the following Noteholders: AIG Global Investment Corp.; BlackRock Advisors, Inc.; MFC Global Investment Management U.S. LLC; Oppenheimer Funds; and Regiment Capital Advisors LP.
- 1.2.30 "**Chapter 11 Cases**" means the chapter 11 cases of the Debtors pending in the Bankruptcy Court and being jointly administered with one another under Case No. 08-53104, and the phrase "Chapter 11 Case" when used with reference to a particular Debtor means the particular case under chapter 11 of the Bankruptcy Code that such Debtor commenced in the Bankruptcy Court.
- 1.2.31 "**City of Detroit**" means the municipality which is known as the city of Detroit, Michigan.

- 1.2.32 "**Claim**" means a claim against one of the Debtors (or all or some of them), whether or not asserted, as defined in section 101(5) of the Bankruptcy Code.
- 1.2.33 "**Claims Agent**" means Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245, Attention: Greektown Casino.
- 1.2.34 "**Claim Objection Deadline**" means, as applicable (except for Administrative Claims), (a) the day that is the later of (i) the first Business Day that is at least 180 days after the Effective Date and (ii) as to Proofs of Claim Filed after the Effective Date, the first Business Day that is at least 180 days after the Proof of Claim has been Filed or (b) such later date as may be established by the Bankruptcy Court.
- 1.2.35 "**Claims Register**" means the official register of Claims maintained by the Claims Agent.
- 1.2.36 "**Class**" means a category of Holders of Claims or Interests as described in Article III of this Plan.
- 1.2.37 "**Confirmation**" means the entry of a Confirmation Order on the docket of the Chapter 11 Cases.
- 1.2.38 "**Confirmation Date**" means the date of entry of the Confirmation Order.
- 1.2.39 "**Confirmation Hearing**" means the hearing before the Bankruptcy Court, held under section 1128 of the Bankruptcy Code, to consider Confirmation of this Plan and related matters, as such hearing may be adjourned or continued from time to time.
- 1.2.40 "**Confirmation Hearing Notice**" means the notice approved in the Solicitation Procedures Order that sets forth in detail the voting and objection deadlines with respect to this Plan.
- 1.2.41 "**Confirmation Order**" means the order entered by the Bankruptcy Court confirming this Plan under section 1129 of the Bankruptcy Code.
- 1.2.42 "**Consent of the Lenders**" means, as applicable, the consent of the DIP Agent and/or the Pre-Petition Agent.
- 1.2.43 "**Consummation**" means the occurrence of the Effective Date.
- 1.2.44 "**Creditor**" means any creditor of a Debtor, as defined in section 101(10) of the Bankruptcy Code.



- 1.2.45 "**Creditors' Committee**" means the official committee of unsecured creditors appointed pursuant to section 1102(a) of the Bankruptcy Code in the Chapter 11 Cases on June 6, 2008, as reconstituted from time to time.
- 1.2.46 "**Cure**" means the payment or other honor of all obligations required to be paid or honored in connection with assumption of an executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code, including, to the extent such obligations are enforceable under the Bankruptcy Code and applicable non-bankruptcy law: (a) the cure of any non-monetary defaults to the extent required, if at all, pursuant to section 365 of the Bankruptcy Code, and (b) with respect to monetary defaults, the distribution within a reasonable period of time following the Effective Date of Cash, or such other property as may be agreed upon by the parties or ordered by the Bankruptcy Court, with respect to the assumption (or assumption and assignment) of an executory contract or unexpired lease, pursuant to section 365(b) of the Bankruptcy Code, in an amount equal to all unpaid monetary obligations or such lesser amount as may be agreed upon by the parties.
- 1.2.47 "**Cure Amount Notice**" has the meaning ascribed to it in the Solicitation Procedures Order.
- 1.2.48 "**Debtor**" means, individually, any of Holdings, Casino, or any of the Affiliate Debtors.
- 1.2.49 "**Debtors**" means, collectively, Holdings, Casino and one or more of the Affiliate Debtors as applicable.
- 1.2.50 "**DIP Agent**" means the administrative agent for the DIP Lenders, as defined in the DIP Credit Agreement.
- 1.2.51 "**DIP Credit Agreement**" means that certain Amended and Restated Senior Secured Superpriority Debtor in Possession Credit Agreement dated February 20, 2009 by and among Holdings, Holdings II, Casino, Trappers, Builders, Realty, the DIP Agent, the DIP Lenders and other parties, which was executed by the above-mentioned Debtors in connection with the DIP Facility, as amended, supplemented, or otherwise modified from time to time, and all documents executed in relation thereto or in connection therewith.
- 1.2.52 "**DIP Facility**" means the debtor in possession secured financing facility provided to the Debtors by the DIP Lenders pursuant to the DIP Credit Agreement, as authorized by the Bankruptcy Court pursuant to the DIP Facility Order.

- 1.2.53 "**DIP Facility Claim**" means any Claim of the DIP Agent and/or the DIP Lenders, as the case may be, arising under or pursuant to the DIP Facility including, without limitation, principal and interest thereon, plus all fees and expenses (including professional fees and expenses) payable by the Debtors thereunder.
- 1.2.54 "**DIP Lenders**" means the lenders and issuers who from time to time are parties to the DIP Credit Agreement.
- 1.2.55 "**DIP Facility Order**" means, collectively, (a) the interim order that was entered by the Bankruptcy Court on June 4, 2008 at Docket No. 74, (b) the final order that was entered by the Bankruptcy Court on June 26, 2008 at Docket No. 175, authorizing and approving the DIP Facility and the agreements related thereto, and (c) the interim order that was entered by the Bankruptcy Court on February 4, 2009, at Docket No. 833, (d) the final order that was entered by the Bankruptcy Court on March 3, 2009 at Docket No. 892, and (e) any and all orders entered by the Bankruptcy Court authorizing and approving the amendments, supplements or modifications, to the DIP Facility Order or the DIP Credit Agreement and as to all of the above, all exhibits and schedules thereto or referenced therein.
- 1.2.56 "**Disallowed Claim**" means (a) a Claim, or any portion thereof, that has been disallowed by a Final Order or a settlement, (b) a Claim or any portion thereof that is Scheduled at zero or as contingent, disputed, or unliquidated and as to which a Bar Date has been established but no Proof of Claim has been timely Filed or deemed timely Filed with the Bankruptcy Court pursuant to any Final Order of the Bankruptcy Court, or (c) a Claim or any portion thereof that is not Scheduled and as to which a Bar Date has been established but no Proof of Claim has been timely Filed or deemed timely Filed with the Bankruptcy Court pursuant to any Final Order of the Bankruptcy Court.
- 1.2.57 "**Disallowed Interest**" means an Interest or any portion thereof that has been disallowed by a Final Order, a settlement, or otherwise.
- 1.2.58 "**Disbursing Agent**" means Reorganized Holdings or any Person designated by it, in its sole discretion, to serve as a disbursing agent under this Plan, which may, if designated by Reorganized Holdings, be the Claims Agent.
- 1.2.59 "**Disclosure Statement**" means the written disclosure statement (including all schedules and Exhibits thereto or referenced therein) that relates to this Plan, as such disclosure statement may be amended, modified, or supplemented from time to time, all as approved by the Bankruptcy Court

pursuant to section 1125 of the Bankruptcy Code and Bankruptcy Rule 3017.

- 1.2.60 "**Disputed Claim**" or "**Disputed Interest**" means a Claim or any portion thereof, or an Interest or any portion thereof, that is neither an Allowed Claim nor a Disallowed Claim, nor an Allowed Interest nor a Disallowed Interest, as the case may be.
- 1.2.61 "**Distribution Date**" means, except as otherwise provided herein, the date, selected by the Reorganized Debtors, upon which distributions to Holders of Allowed Claims and Allowed Interests entitled to receive distributions under this Plan shall commence; provided, however, that the Distribution Date shall occur as soon as reasonably practicable after the Effective Date, but in no event shall the Distribution Date occur later than thirty (30) days after the Effective Date.
- 1.2.62 "**Distribution Record Date**" means the date for determining which Holders of Allowed Claims are eligible to receive distributions pursuant to this Plan, which shall be the Confirmation Date or such other date as designated in this Plan or a Final Order of the Bankruptcy Court.
- 1.2.63 "**Distribution Reserve**" means, as applicable, one or more reserves of New Equity or Cash, as the case may be, established for distribution to Holders of Claims or Interests that are Disputed as of the Confirmation Date and that subsequently become Allowed.
- 1.2.64 "**Effective Date**" means the Business Day on which all conditions to the Consummation of this Plan set forth in Article VI of this Plan have been either satisfied or waived as provided in section 6.2 of this Plan.
- 1.2.65 "**Entity**" has the meaning set forth at section 101(15) of the Bankruptcy Code.
- 1.2.66 "**ERISA**" means Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001-1461 and 26 U.S.C. §§401-420, as amended.
- 1.2.67 "**Estate**" means the bankruptcy estate of the applicable Debtor created pursuant to section 541 of the Bankruptcy Code.
- 1.2.68 "**Exchange Act**" means the Securities Exchange Act of 1934, 15 U.S.C. § 78a *et seq.*, as now in effect or hereafter amended.
- 1.2.69 "**Exculpated Claim**" means any Claim related to any act or omission in connection with, relating to, or arising out of the Debtors' in- or out-of-court restructuring, the filing of the Disclosure Statement or this Plan or any contract, instrument, release, or other agreement or document created

or entered into in connection with the Disclosure Statement or this Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of this Plan, or the distribution of property under this Plan or any other agreement.

- 1.2.70 "**Exhibit**" means an exhibit annexed either to this Plan or as an exhibit to the Disclosure Statement. If this Plan or the Disclosure Statement references a numbered Exhibit and one is not attached, but is subsequently filed; or if this Plan or the Disclosure Statement does not reference a numbered Exhibit and a numbered Exhibit is attached thereto; then such numbered Exhibit shall be incorporated with and into this Plan or the Disclosure Statement, as applicable, as though such numbered Exhibit were filed therewith.
- 1.2.71 "**Exhibit Filing Date**" means the date on which Exhibits to this Plan or the Disclosure Statement shall be Filed with the Bankruptcy Court, which date shall be on or prior to the Effective Date or such later date as may be approved by the Bankruptcy Court without further notice.
- 1.2.72 "**Existing Common Stock**" means any shares of common stock of any of the Debtors.
- 1.2.73 "**Existing Membership Interests**" means any membership interests of any of the Debtors.
- 1.2.74 "**Exit Financing**" means any financing that the Debtors or Reorganized Debtors may obtain to assist in paying operating expenses or Plan obligations that come due on or after the Effective Date.
- 1.2.75 "**Face Amount**" means, (a) when used in reference to a Disputed or Disallowed Claim, the full stated liquidated amount claimed by the Holder of a Claim in any Proof of Claim timely Filed with the Bankruptcy Court or otherwise deemed timely Filed by any Final Order of the Bankruptcy Court or other applicable bankruptcy law, and (b) when used in reference to an Allowed Claim, the Allowed Amount of such Claim.
- 1.2.76 "**File**" means to file with the Bankruptcy Court in the Chapter 11 Cases and serve consistent with the Local Rules and the Bankruptcy Rules, or in the case of Proofs of Claim, to file with the Claims Agent.
- 1.2.77 "**Final Decree**" means a decree contemplated under Bankruptcy Rule 3022 entered in these Chapter 11 cases.
- 1.2.78 "**Final Order**" means an order or judgment, the operation or effect of which has not been reversed, stayed, modified, or amended, and as to

which order or judgment (or any reversal, stay, modification, or amendment thereof) (a) the time to appeal, seek certiorari, or request reargument or further review or rehearing has expired and no appeal, petition for certiorari, or request for reargument or further review or rehearing has been timely Filed, or (b) any appeal that has been or may be taken or any petition for certiorari or request for reargument or further review or rehearing that has been or may be Filed has been resolved by the highest court to which the order or judgment was appealed, from which certiorari was sought, or to which the request was made, and no further appeal or petition for certiorari or request for reargument or further review or rehearing has been or can be taken or granted.

- 1.2.79 "**General Unsecured Claim**" means any Claim, including a Claim that is not otherwise an Administrative Claim, Priority Tax Claim, Secured Claim or Intercompany Claim.
- 1.2.80 "**Governmental Unit**" has the meaning set forth at section 101(27) of the Bankruptcy Code.
- 1.2.81 "**Holdback Amount**" means the amounts withheld by the Debtors as of the Confirmation Date as a holdback on payment of Professional Claims pursuant to the Professional Fee Order.
- 1.2.82 "**Holder**" means a Person holding a Claim, Interest, or Lien, as applicable.
- 1.2.83 "**Holdings**" means Greektown Holdings, L.L.C., a Michigan limited liability company, which is a Debtor in possession under the Chapter 11 Case No. 08-53104 being administered jointly with the other Chapter 11 Cases.
- 1.2.84 "**Holdings II**" means Greektown Holdings II, Inc., a Michigan corporation, which is a Debtor in possession under the Chapter 11 Case No. 08-53108 being jointly administered with the other Chapter 11 Cases.
- 1.2.85 "**Impaired**" refers to any Claim or Interest that is impaired within the meaning of section 1124 of the Bankruptcy Code.
- 1.2.86 "**Indenture**" means the Indenture dated December 2, 2005, among Greektown Holdings, L.L.C., Greektown Holdings II, Inc. and Deutsche Bank Trust Company Americas covering the 10¾% senior notes due 2013.
- 1.2.87 "**Indenture Trustee**" means Deutsche Bank Trust Company Americas, or any successor appointed under the Indenture.
- 1.2.88 "**Insider**" has the meaning set forth at section 101(31) of the Bankruptcy Code.

- 1.2.89 "**Instrument**" means an instrument or document evidencing a Claim or Interest.
- 1.2.90 "**Intercompany Claim**" means a Claim by a Debtor or Affiliate of a Debtor against another Debtor or Affiliate of a Debtor.
- 1.2.91 "**Intercompany Executory Contract**" means an executory contract or unexpired lease solely between two or more Debtors.
- 1.2.92 "**Intercompany Interest**" means any Interest held by one Debtor in or against another Debtor.
- 1.2.93 "**Interest**" means the legal, equitable, contractual, and other rights of any Person with respect to Existing Common Stock, Existing Membership Interests, or any other equity securities of, or ownership interests in, any of the Debtors.
- 1.2.94 "**IRC**" means the Internal Revenue Code of 1986, as amended.
- 1.2.95 "**Kewadin**" means Kewadin Greektown Casino, L.L.C., a Michigan limited liability company, which is a Debtor in possession under the Chapter 11 Case No. 08-53105 being jointly administered with the other Chapter 11 Cases.
- 1.2.96 "**Lien**" has the meaning set forth at section 101(37) of the Bankruptcy Code.
- 1.2.97 "**Local Rules**" means the local rules of the Bankruptcy Court.
- 1.2.98 "**MGCB**" means the Michigan Gaming Control Board, a board established within the Department of Treasury of the State of Michigan pursuant to MCL 432.204(1).
- 1.2.99 "**Monroe**" means Monroe Partners, L.L.C., a Michigan limited liability company, which is a Debtor in possession under the Chapter 11 Case No. 08-53107 being jointly administered with the other Chapter 11 Cases.
- 1.2.100 "**New Equity**" means the new equity interests in Reorganized Holdings, to be distributed according to this Plan.
- 1.2.101 "**Non-reorganizing Debtors**" means Trappers, Holdings II, Monroe and Kewadin.
- 1.2.102 "**Noteholders**" means the Holders of the Bonds.

- 1.2.103 "**Notice of the Effective Date**" means that certain notice pursuant to Bankruptcy Rule 3020(c)(2) notifying Holders of Claims and Interests and parties in interest that Confirmation has occurred and that the Effective Date has occurred.
- 1.2.104 "**Notice Parties**" means (i) the United States Trustee for the Eastern District of Michigan, (ii) the Creditors' Committee, (iii) the DIP Agent, (iv) the Indenture Trustee, and (v) the Certain Noteholders.
- 1.2.105 "**Ordinary Course Professionals Order**" means the order entered by the Bankruptcy Court on September 16, 2008 at Docket No. 427 authorizing the retention of professionals utilized by the Debtors in the ordinary course of business.
- 1.2.106 "**Other Secured Claim**" means any Secured Claim, other than: (a) the DIP Facility Claim or (b) the Pre-petition Credit Agreement Claim.
- 1.2.107 "**Periodic Distribution Date**" means, as applicable, (a) the Distribution Date, as to the first distribution made by the Reorganized Debtors, and (b) thereafter, (i) the first Business Day occurring ninety (90) days after the Distribution Date and (ii) subsequently, the first Business Day occurring ninety (90) days after the immediately preceding Periodic Distribution Date.
- 1.2.108 "**Person**" means an individual, corporation, partnership, joint venture, association, joint stock company, limited liability company, limited liability partnership, trust, estate, unincorporated organization, Governmental Unit, or other Entity.
- 1.2.109 "**Petition Date**" means May 29, 2008, the date the Debtors Filed their petitions for reorganization relief in the Bankruptcy Court.
- 1.2.110 "**Plan**" means these joint plans of reorganization for the resolution of outstanding Claims and Interests in the Chapter 11 Cases, as herein proposed by the Plan Proponents, including all Exhibits, supplements, appendices, and schedules hereto, either in its or their present form or as the same may be further altered, amended, or modified from time to time in accordance with the Bankruptcy Code and Bankruptcy Rules.
- 1.2.111 "**Plan Note**" means the secured promissory note in favor of the DIP Lenders, including all related agreements, supplements, appendices and schedules thereto.
- 1.2.112 "**Plan Proponents**" means the Debtors, the DIP Agent and the Pre-petition Agent.

- 1.2.113 "**Plan Supplement**" means the supplemental documents to be Filed with the Bankruptcy Court in conjunction with the Confirmation Hearing.
- 1.2.114 "**Pre-petition Agent**" means the administrative agent to the Pre-petition Lenders under the Pre-petition Transaction Documents.
- 1.2.115 "**Pre-petition Credit Agreement**" means that certain Credit Agreement dated as of December 2, 2005, as amended by the First Amendment to Credit Agreement dated as of April 13, 2007 and the Limited Duration Waiver Agreement dated as of March 28, 2008.
- 1.2.116 "**Pre-petition Credit Agreement Claim**" means the Claims of the Pre-petition Agents and the Pre-petition Lenders which was Filed with the Claims Agent and identified as claim numbers 244 and 245 by the Claims Agent.
- 1.2.117 "**Pre-petition Lenders**" means the lenders and issuers who from time to time are parties to the Pre-petition Credit Agreement.
- 1.2.118 "**Pre-petition Transaction Documents**" means the Pre-petition Credit Agreement and the other Loan Documents, as that term is defined in the Pre-petition Credit Agreement.
- 1.2.119 "**Priority Claim**" means any Claim entitled to priority pursuant to section 507(a) of the Bankruptcy Code.
- 1.2.120 "**Priority Tax Claim**" means a Claim entitled to priority pursuant to section 507(a)(8) of the Bankruptcy Code.
- 1.2.121 "**Proof of Claim**" means a proof of Claim Filed against any of the Debtors in the Chapter 11 Cases.
- 1.2.122 "**Pro Rata**" means (a) with respect to Claims, at any time, the proportion that the Face Amount of a Claim in a particular Class or Classes bears to the aggregate Face Amount of all Claims (including Disputed Claims, but excluding Disallowed Claims) in such Class or Classes, unless this Plan provides otherwise; and (b) with respect to Interests, at any time, the proportion that the number of Interests held by a certain Interest Holder in a particular Class or Classes bears to the aggregate number of all Interests (including Disputed Interests, but excluding Disallowed Interests) in such Class or Classes.
- 1.2.123 "**Professional**" means any Person retained in the Chapter 11 Cases by Bankruptcy Court order pursuant to sections 327 and 1103 of the Bankruptcy Code or otherwise; provided, however, that Professional does



not include any Person retained pursuant to the Ordinary Course Professionals Order.

- 1.2.124 "**Professional Claim**" means an Administrative Claim of a Professional for compensation for services rendered or reimbursement of costs, expenses, or other charges and disbursements incurred relating to services rendered or expenses incurred after the Petition Date and before and including the Effective Date.
- 1.2.125 "**Professional Fee Order**" means the order entered by the Bankruptcy Court on July 24, 2008 at Docket No. 227 authorizing the interim payment of Professional Claims.
- 1.2.126 "**Proposed Settlement Notice**" means notice of the terms of a proposed settlement.
- 1.2.127 "**Realty**" means Realty Equity Company, Inc., a Michigan corporation, which is a Debtor in possession under the Chapter 11 Case No. 08-53112 being jointly administered with the other Chapter 11 Cases.
- 1.2.128 "**Realty Property**" means all of the real property owned by Realty.
- 1.2.129 "**Reinstated**" means (a) leaving unaltered the legal, equitable, and contractual rights to which a Claim entitles the Holder of such Claim so as to leave such Claim Unimpaired or (b) notwithstanding any contractual provision or applicable law that entitles the Holder of a Claim to demand or receive accelerated payment of such Claim after the occurrence of a default: (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) expressly does not require to be cured; (ii) reinstating the maturity (to the extent such maturity has not otherwise accrued by the passage of time) of such Claim as such maturity existed before such default; (iii) compensating the Holder of such Claim for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law; (iv) if such Claim arises from a failure to perform a nonmonetary obligation other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A) of the Bankruptcy Code, compensating the Holder of such Claim (other than a Debtor or an Insider, as defined in section 101(31) of the Bankruptcy Code) for any actual or pecuniary loss incurred by such Holder as a result of such failure; and (v) not otherwise altering the legal, equitable, or contractual rights to which such Claim entitles the Holder.

- 1.2.130 "**Rejection Damages Claim**" means any Claim on account of the rejection of an executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code.
- 1.2.131 "**Released Parties**" means, collectively, (a) all current and former officers of each of the Debtors, and all current and former employees of each of the Debtors, in each case in their respective capacities, (b) the Creditors' Committee and all current and former members of the Creditors' Committee, in their respective capacities as such, (c) the DIP Agent, (d) the DIP Lenders, (e) the Pre-petition Agent, (f) the Pre-petition Lenders, (g) all Professionals, (h) the Indenture Trustee, (i) the Trade Creditors that have made the Trade Claim Election, solely with respect to Avoidance Claims, (j) Louis Glazier and Jacob Miklojcik, in their capacities as directors or managers, as applicable, and members of any committee (including the Special Committee) of the board of directors or managers, as applicable, of each Debtor and Reorganized Debtor, and their respective heirs, personal representatives, guardians, custodians and personal administrators, and (k) with respect to each of the above-named Persons, such Person's Affiliates, advisors, principals, employees, officers, directors, representatives, financial advisors, attorneys, accountants, investment bankers, consultants, agents, and other representatives and professionals.
- 1.2.132 "**Reorganized Debtor**" or "**Reorganized Debtors**" means individually, Reorganized Holdings, Reorganized Casino, Reorganized Builders, or Reorganized Realty and, collectively, Reorganized Holdings, Reorganized Casino, Reorganized Builders, and Reorganized Realty.
- 1.2.133 "**Reorganized Builders**" means Builders, as reorganized after the Effective Date pursuant to the provisions of this Plan.
- 1.2.134 "**Reorganized Casino**" means Casino, as reorganized after the Effective Date pursuant to the provisions of this Plan.
- 1.2.135 "**Reorganized Holdings**" means Holdings, as reorganized after the Effective Date pursuant to the provisions of this Plan.
- 1.2.136 "**Reorganized Realty**" means Realty, as reorganized after the Effective Date pursuant to the provisions of this Plan.
- 1.2.137 "**Restructuring Transaction(s)**" means a dissolution or winding up of the legal existence of a Debtor or the consolidation, merger, contribution of assets, or other transaction in which an Affiliate of a Debtor merges with or transfers some or substantially all of its assets and liabilities to a Reorganized Debtor on or following the Confirmation Date, as set forth in the Restructuring Transaction Notice.

- 1.2.138 "**Restructuring Transaction Notice**" means the notice Filed with the Bankruptcy Court on or before the Exhibit Filing Date, briefly describing the relevant Restructuring Transactions and attaching the relevant form consolidation or dissolution documents.
- 1.2.139 "**Retained Actions**" means all claims, Causes of Action, rights of action, suits, and proceedings, whether in law or in equity, whether known or unknown, which any Debtor or any Debtor's Estate may hold against any Person, including, without limitation, claims and Causes of Action brought before the Effective Date or identified in the Schedules or the Disclosure Statement, other than claims explicitly released under this Plan or by Final Order of the Bankruptcy Court before the Effective Date.
- 1.2.140 "**Scheduled**" means, with respect to any Claim, the status, priority, and amount, if any, of such Claim as set forth in the Schedules.
- 1.2.141 "**Schedules**" means the schedules of assets and liabilities and the statements of financial affairs Filed in the Chapter 11 Cases by the Debtors, which incorporate by reference the global notes and statement of limitations, methodology, and disclaimer regarding the Debtors' schedules and statements, as such schedules or statements have been or may be further modified, amended, or supplemented from time to time in accordance with Bankruptcy Rule 1009 or orders of the Bankruptcy Court.
- 1.2.142 "**Secured Claim**" means the aggregate amount of the Claim secured by a security interest in or a Lien on property in which a Debtor's Estate has an interest or that is subject to setoff under section 553 of the Bankruptcy Code, to the extent of the value, as of the Effective Date or such other date as is established by the Bankruptcy Court, of such Claim Holder's interest in the applicable Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined by a Final Order of the Bankruptcy Court pursuant to section 506(a) of the Bankruptcy Code or, in the case of setoff, pursuant to section 553 of the Bankruptcy Code, or as otherwise agreed upon in writing by the Debtors and the Holder of such Claim.
- 1.2.143 "**Secured Lender Claim**" means, collectively, the Claim of the DIP Lenders and the Claim of the Pre-petition Lenders.
- 1.2.144 "**Secured Lenders**" means, collectively, the DIP Lenders and the Pre-petition Lenders.
- 1.2.145 "**Securities Act**" means the Securities Act of 1933, 15 U.S.C. § 77a *et seq.*, as now in effect or hereafter amended.

- 1.2.146 "**Settlement Amount**" means the proposed amount for which the Debtors are seeking to settle such Claim.
- 1.2.147 "**Security**" has the meaning set forth at section 101(49) of the Bankruptcy Code.
- 1.2.148 "**Solicitation Procedures Order**" means the order entered by the Bankruptcy Court on [ ] authorizing the procedures for solicitation of votes on this Plan, among other matters.
- 1.2.149 "**Stipulating Parties**" means the Notice Parties (other than the United States Trustee for the Eastern District of Michigan), the City of Detroit and the MGCB.
- 1.2.150 "**Tax Rollback**" means the tax treatment contemplated by MCL 432.212.
- 1.2.151 "**Trade Creditors**" means those Persons that (i) are Creditors of the Debtors on account of goods or services provided to the Debtors prior to the Petition Date, and (ii) will continue to supply goods or services to the Reorganized Debtors.
- 1.2.152 "**Trade Claim**" means a Claim held by a Trade Creditor that has made the Trade Claim Election.
- 1.2.153 "**Trade Claim Election**" means the election pursuant to which a Trade Creditor holding an Allowed Claim timely elects that the Claim be treated as a Trade Claim by making the Trade Claim Election on the ballot within the time fixed by the Bankruptcy Court for completing and returning such ballot, and, thereby, agrees to provide goods or services to the Reorganized Debtors on the terms and conditions at least as favorable to the Reorganized Debtors as the most favorable terms and conditions that existed between the Debtors and the Creditor within the six (6) months immediately before the Petition Date. The Trade Claim Election shall be enforceable by the Debtors and Reorganized Debtors from the Confirmation Date through the first anniversary of the Effective Date.
- 1.2.154 "**Trade Distribution Fund**" means \$3,000,000 to be funded through the Reorganized Debtors' operations, or otherwise.
- 1.2.155 "**Trappers**" means Trappers GC Partner, LLC, a Michigan limited liability company, which is a Debtor in possession under the Chapter 11 Case No. 08-53111 being jointly administered with the other Chapter 11 Cases.
- 1.2.156 "**Trappers Property**" means all of the real property owned by Trappers.

1.2.157 "**Unimpaired**" means, with respect to a Claim, any Claim that is not Impaired.

1.2.158 "**Unsecured Distribution Fund**" means \$200,000 in Cash to be funded through the Reorganized Debtors' operations, or otherwise.

1.3 **Rules of Interpretation.** For purposes of this Plan, unless otherwise provided herein:

1.3.1 Whenever from the context it is appropriate, each term, whether stated in the singular or the plural, shall include both the singular and the plural.

1.3.2 Each pronoun stated in the masculine, feminine, or neuter includes the masculine, feminine, and neuter.

1.3.3 Any reference in this Plan to an existing document or schedule Filed or to be Filed means such document or schedule, as it may have been or may be amended, modified, or supplemented.

1.3.4 Any reference to a Person as a Holder of a Claim or Interest includes that Person's successors and assigns.

1.3.5 All references in this Plan to sections, Articles, and Exhibits are references to sections, Articles, and Exhibits of or to this Plan.

1.3.6 The words "herein," "hereunder," and "hereto" refer to this Plan in its entirety rather than to a particular portion of this Plan.

1.3.7 Captions and headings to Articles and sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Plan.

1.3.8 Subject to the provisions of any contract, certificates of incorporation, by-laws, instrument, release, or other agreement or document entered into in connection with this Plan, the rights and obligations arising under this Plan shall be governed by, and construed and enforced in accordance with, federal law, including the Bankruptcy Code and Bankruptcy Rules.

1.3.9 The rules of construction set forth in section 102 of the Bankruptcy Code shall apply.

1.3.10 This Plan is the product of extensive discussions and negotiations between and among the Debtors, the DIP Lenders, the Pre-petition Lenders, the Creditors' Committee, the Indenture Trustee, Certain Noteholders, the City of Detroit, the MGCB, and certain other creditors and constituencies.

Each of the foregoing was represented by counsel, who either (a) participated in the formulation and documentation of, or (b) was afforded the opportunity to review and provide comments on this Plan, the Disclosure Statement, and the documents ancillary thereto. Accordingly, the general rule of contract construction, known as "contra proferentem," shall not apply to the construction or interpretation of any provision of this Plan, the Disclosure Statement, or any contract, instrument, release, indenture, Exhibit, or other agreement or document generated in connection herewith.

- 1.4 **Computation of Time.** In computing any period of time prescribed or allowed by this Plan, unless otherwise expressly provided, the provisions of Bankruptcy Rule 9006(a) shall apply.
- 1.5 **References to Monetary Figures.** All references in this Plan to monetary figures shall refer to currency of the United States of America, unless otherwise expressly provided.
- 1.6 **Exhibits.** All Exhibits are incorporated into and are a part of this Plan as if set forth in full herein and, to the extent not annexed hereto, such Exhibits shall be Filed with the Bankruptcy Court on or before the Exhibit Filing Date. Upon its Filing, the Exhibit may be inspected in the office of the clerk of the Bankruptcy Court or its designee during normal business hours or at the Bankruptcy Court's website for a fee at [www.mieb.uscourts.gov](http://www.mieb.uscourts.gov). The Exhibits may also be reviewed for free at the Debtors' website at [www.kccllc.net/greektowncasino](http://www.kccllc.net/greektowncasino). The Exhibits are an integral part of this Plan, and entry of the Confirmation Order by the Bankruptcy Court shall constitute an approval of the Exhibits. To the extent any Exhibit is inconsistent with the terms of this Plan and unless otherwise provided for in the Confirmation Order, the terms of the Exhibit shall control as to the transactions contemplated thereby.

## ARTICLE II

### **ADMINISTRATIVE EXPENSES AND PRIORITY CLAIMS**

- 2.1. **Administrative Claims.** Subject to the provisions of Article VIII of this Plan, on the first Periodic Distribution Date occurring after the later of the date when an Administrative Claim becomes Allowed or the date when an Administrative Claim becomes payable pursuant to any agreement between a Debtor (or a Reorganized Debtor) and the Holder of such Administrative Claim, a Holder of an Allowed Administrative Claim shall receive, in full satisfaction, settlement, release, and discharge of, and in exchange for, such Allowed Administrative Claim, Cash equal to the unpaid portion of such Allowed Administrative Claim or such other less favorable treatment that the Debtors or the Reorganized Debtors and the Holder of such Allowed Administrative Claim shall have agreed upon in writing (with the Consent of the Lenders); provided, however, that Administrative

Claims incurred by the Debtors in the ordinary course of business during the Chapter 11 Cases or arising under contracts assumed during the Chapter 11 Cases prior to, on or as of the Effective Date shall be deemed Allowed Administrative Claims and paid by the Debtors or the Reorganized Debtors in the ordinary course of business in accordance with the terms and conditions of any agreements relating thereto; and provided further that any Cure payments associated with the Assumed Contracts shall be paid in accordance with Article XIII.

2.2. **Priority Tax Claims.** Commencing on the first Periodic Distribution Date occurring after the later of (a) the date a Priority Tax Claim becomes an Allowed Priority Tax Claim or (b) the date an Allowed Priority Tax Claim first becomes payable pursuant to any agreement between a Debtor (or a Reorganized Debtor) and the Holder of such Allowed Priority Tax Claim, such Holder of an Allowed Priority Tax Claim shall be entitled to receive, on account of such Allowed Priority Tax Claim, in full satisfaction, settlement, release, and discharge of, and in exchange for, such Allowed Priority Tax Claim: (i) equal Cash payments on each Periodic Distribution Date during a period not to exceed five (5) years after the Petition Date, totaling the aggregate amount of such Claim plus simple interest at the rate required by applicable law on any outstanding balance from the Petition Date, or such lesser rate as is set by the Bankruptcy Court or agreed to by the Holder of an Allowed Priority Tax Claim, or (ii) such other treatment as is agreed to by the Holder of an Allowed Priority Tax Claim and the Debtors or the Reorganized Debtors (with the Consent of the Lenders), provided that such treatment is on more favorable terms to the Debtors or the Reorganized Debtors than the treatment set forth in clause (i) of this section.

2.3. **Other Priority Claims.** All other Allowed Priority Claims, to the extent of the applicable priority under section 507(a) of the Bankruptcy Code, shall be paid the Allowed Amount of such Claim as of the Effective Date.

2.4. **Professional Claims.**

2.4.1. **Final Fee Applications.** All final requests for payment of Professional Claims and requests for reimbursement of expenses of members of any official committee must be Filed no later than the Administrative Claims Bar Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior orders of the Bankruptcy Court, the Allowed Amount of such Professional Claims and expenses shall be determined by the Bankruptcy Court.

2.4.2. **Payment of Interim Amounts.** Subject to the Professional Fee Order, on the Effective Date, the Debtors or Reorganized Debtors shall pay all amounts owing to Professionals and members of the Creditors' Committee for all then outstanding amounts payable.

- 2.4.3. **Payment of Professional Claims and Holdback Amount.** On the Effective Date, the Debtors or the Reorganized Debtors shall fund an account with sufficient Cash to pay all Professionals for services rendered and costs incurred through the Effective Date, along with all applicable US Trustee fees. Within ten (10) days of entry of an order allowing final requests for Professional Claims, the amounts funded above, along with the remaining amount of the Professional Claims owing to the Professionals, shall be paid to such Professionals.
- 2.4.4. **Post-Confirmation Date Retention.** Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date or to make any disclosures pursuant to Bankruptcy Rules 2014 and 2016 shall terminate, and the Reorganized Debtors shall employ and pay Professionals in the ordinary course of business.
- 2.5. **Substantial Contribution Compensation and Expenses Bar Date.** Any Person who requests compensation or expense reimbursement for making a substantial contribution in the Chapter 11 Cases pursuant to sections 503(b)(3), (4), and/or (5) of the Bankruptcy Code shall File an application with the clerk of the Bankruptcy Court on or before the Administrative Claims Bar Date, or be forever barred from seeking such compensation or expense reimbursement. The Bankruptcy Court shall determine any timely Filed request for compensation or expense reimbursement made under this section 2.5, and the Reorganized Debtors shall pay any amount determined to be owed within thirty (30) days of entry of a Final Order approving such payment.
- 2.6. **Other Administrative Claims.** All other requests for payment of an Administrative Claim (other than as set forth in section 2.4 or section 2.5 of this Plan) must be Filed with the Bankruptcy Court on or before the Administrative Claims Bar Date. Any Administrative Claim that (i) was required to be Filed prior to the Bar Date pursuant to the Bar Date Order, and (ii) was not so filed, shall be a Disallowed Claim. Any request for payment of an Administrative Claim pursuant to this section 2.6 that is not Filed before the Administrative Claims Bar Date shall be automatically deemed a Disallowed Claim without the need for any objection. The Debtors or the Reorganized Debtors may settle an Administrative Claim without further Bankruptcy Court approval (with the Consent of the Lenders). Unless an objection to an Administrative Claim is Filed within sixty (60) days of the Administrative Claims Bar Date (unless such objection period is extended by the Bankruptcy Court), such Administrative Claim shall be deemed Allowed in the amount requested. In the event that an objection to an Administrative Claim is filed, the Bankruptcy Court shall determine the Allowed Amount of such Administrative Claim. Notwithstanding the foregoing, no request for payment of an Administrative Claim need be Filed with respect to an Administrative Claim that is paid or payable in the ordinary course of business.



**ARTICLE III**

**SPECIFICATION OF TREATMENT OF CLASSES  
OF CLAIMS AND INTERESTS IMPAIRED UNDER THE PLAN**

3.1. The following table designates the Classes of Claims and Interests and specifies which of those Classes are Impaired by the Plan and entitled to vote to accept or reject this Plan in accordance with section 1126 of the Bankruptcy Code, or are deemed to accept or reject the Plan.

<b>Class</b>	<b>Claim</b>	<b>Status</b>	<b>Voting Rights</b>
1	DIP Lenders' Claims Against Holdings	Impaired	Entitled to Vote
2	Pre-petition Lenders' Claims Against Holdings	Impaired	Entitled to Vote
3	Other Allowed Secured Claims Against Holdings	Impaired	Entitled to Vote
4	Bond Claims Against Holdings	Impaired	Deemed to Reject
5	General Unsecured Claims Against Holdings	Impaired	Deemed to Reject
6	Interests in Holdings	Impaired	Deemed to Reject
7	DIP Lenders' Claims Against Casino	Impaired	Entitled to Vote
8	Pre-petition Lenders' Claims Against Casino	Impaired	Entitled to Vote
9	Other Allowed Secured Claims Against Casino	Impaired	Entitled to Vote
10	General Unsecured Claims Against Casino	Impaired	Entitled to Vote
11	Trade Claims Against Casino	Impaired	Entitled to Vote
12	DIP Lenders' Claims Against Holdings II	Impaired	Entitled to Vote
13	Pre-petition Lenders' Claims Against	Impaired	Entitled to Vote

	Holdings II		
14	Other Allowed Secured Claims Against Holdings II	Impaired	Entitled to Vote
15	General Unsecured Claims Against Holdings II	Impaired	Deemed to Reject
16	DIP Lenders' Claims Against Builders	Impaired	Entitled to Vote
17	Pre-petition Lenders' Claims Against Builders	Impaired	Entitled to Vote
18	Other Allowed Secured Claims Against Builders or the Builders Property	Impaired	Entitled to Vote
19	General Unsecured Claims Against Builders	Impaired	Deemed to Reject
20	DIP Lenders' Claims Against Realty	Impaired	Entitled to Vote
21	Pre-petition Lenders' Claims Against Realty	Impaired	Entitled to Vote
22	Other Allowed Secured Claims Against Realty or the Realty Property	Impaired	Entitled to Vote
23	General Unsecured Claims Against Realty	Impaired	Deemed to Reject
24	DIP Lenders' Claims Against Trappers	Impaired	Entitled to Vote
25	Pre-petition Lenders' Claims Against Trappers	Impaired	Entitled to Vote
26	Other Allowed Secured Claims Against Trappers or the Trappers Property	Impaired	Entitled to Vote
27	General Unsecured Claims Against Trappers	Impaired	Deemed to Reject
28	Allowed Secured Claims Against Monroe	Impaired	Entitled to Vote
29	Unsecured Claims Against Monroe	Impaired	Deemed to Reject

30	Interests in Monroe	Impaired	Deemed to Reject
31	Allowed Secured Claims Against Kewadin	Impaired	Entitled to Vote
32	Unsecured Claims Against Kewadin	Impaired	Deemed to Reject
33	Interests in Kewadin	Impaired	Deemed to Reject

3.2. **Classes 1, 7, 12, 16, 20 & 24 (Secured Claims of DIP Lenders against each Reorganizing Debtor, Trappers, and Holdings II).**

3.2.1. Impairment and Voting. Classes 1, 7, 12, 16, 20 & 24 are Impaired. Each Holder of an Allowed Claim in such Classes as of the Voting Record Date is entitled to vote to accept or reject the Plan.

3.2.2. Distributions. Each Holder of a Claim in Class 1, 7, 12, 16, 20 & 24 shall receive, in full satisfaction of such Claim, its Pro Rata share of the Plan Note.

3.3. **Classes 2, 8, 13, 17, 21 & 25 (Secured Claims of Pre-petition Lenders against each Reorganizing Debtor, Trappers, and Holdings II).**

3.3.1. Impairment and Voting. Classes 2, 8, 13, 17, 21 & 25 are Impaired. Each Holder of an Allowed Claim in such Classes as of the Voting Record Date is entitled to vote to accept or reject this Plan.

3.3.2. Distributions. Each Holder of a Claim in Class 2, 8, 13, 17, 21 & 25 shall receive, in full satisfaction of such Claim, (a) its Pro Rata share of: (i) the New Equity of Reorganized Holdings, and (ii) the Additional Plan Note, if any; or, (b) only if an Alternative Proposal has been accepted pursuant to section 4.5, its Pro Rata share of the distribution set forth in the Alternative Proposal.

3.4. **Classes 3, 9, 14, 18, 22, 26, 28 & 31 (Other Allowed Secured Claims Against Holdings, Casino, Holdings II, Builders, Builders Property, Realty, Realty Property, Trappers and Trappers Property, and Allowed Secured Claims Against Monroe and Kewadin).**

3.4.1. Impairment and Voting. Classes 3, 9, 14, 18, 22, 26, 28 & 31 are Impaired. Each Holder of an Allowed Claim in such Classes as of the Voting Record Date is entitled to vote to accept or reject this Plan.

3.4.2. Distributions. Each Holder of an Allowed Claim in Class 3, 9, 14, 18, 22, 26, 28 & 31 shall receive, in full satisfaction of such Claim, in the Reorganized Debtors' full discretion, either: (i) the value of the Holder's Allowed Secured Claim (as determined pursuant to section 506(a) of the Bankruptcy Code and Article V of this Plan), or, (ii) return of the collateral securing the Holder's Secured Claim.

3.4.3. A Claim shall be Allowed as a Secured Claim only (i) if the Holder of the Claim holds a non-avoidable, first-priority Lien in property of one or more of the Debtors' Estates which is either (A) senior to the DIP Lenders' and Pre-petition Lenders' Liens, or (B) the Consent of the Lenders is obtained allowing such claim as an Allowed Secured Claim, and (ii) only to the extent of the value, as of the Effective Date, of the Holder's interest in the applicable Estate's interest in the property securing the Claim. To the extent an Allowed Claim is asserted to be a Secured Claim, but the value of the Holder's interest in the applicable Estate's interest is less than the amount of the Claim, the undersecured amount of the Claim shall be treated as a General Unsecured Claim against the respective Debtor.

3.5. **Classes 4, 5, 15, 19, 23, 27, 29 & 32 (Bond Claims against Holdings and General Unsecured Claims Against Holdings, Holdings II, Builders, Realty, Trappers, Monroe and Kewadin).**

3.5.1. Impairment and Voting. Classes 4, 5, 15, 19, 23, 27, 29 & 32 are Impaired. Each Holder of an Allowed Claim in Classes 4, 5, 15, 19, 23, 27, 29 & 32, as of the Voting Record Date, is deemed to reject this Plan and is not entitled to vote to accept or reject this Plan.

3.5.2. Distributions. Each Holder of an Allowed Claim in Classes 4, 5, 15, 19, 23 & 27 shall not receive or retain any interest or property under this Plan and all Claims in Classes 4, 5, 15, 19, 23 & 27 shall be cancelled and extinguished.

3.6. **Class 10 (General Unsecured Claims Against Casino).**

3.6.1. Impairment and Voting. Class 10 is Impaired by this Plan. Each Holder of an Allowed Claim in Class 10 as of the Voting Record Date is entitled to vote to accept or reject this Plan.

3.6.2. Distributions. Each Holder of an Allowed Claim in Class 10 shall receive, in full satisfaction of such Claim, its Pro Rata share of the Unsecured Distribution Fund. The Unsecured Distribution Fund shall be paid in two (2) installments, the first of which shall be paid on the date that is six (6) months following the Effective Date, and the second on the date that is one (1) year following the Effective Date.

3.7. **Class 11 (Trade Claims Against Casino).**

3.7.1. Impairment and Voting. Class 11 is Impaired. Each Holder of an Allowed Class 11 Claim as of the Voting Record Date is entitled to vote to accept or reject this Plan.

3.7.2. Distributions. Each Holder of an Allowed Class 11 Claim shall receive on or as soon as practicable after the Effective Date, in full satisfaction of such Claim, its Pro Rata share of the Trade Distribution Fund. The Trade Distribution Fund shall be paid in two (2) installments, the first of which shall be paid on the date that is six (6) months following the Effective Date, and the second on the date that is one (1) year following the Effective Date. As an additional distribution, each Holder of an Allowed Claim in Class 11 shall receive a release from Avoidance Claims and shall be a Released Party, subject to section 7.3.

3.8. **Class 6, 30 & 33 (Equity Interests – Holdings, Monroe and Kewadin).**

3.8.1. Impairment and Voting. Classes 6, 30 & 33 are Impaired. Each Holder of Equity Interests in Holdings, Monroe or Kewadin is deemed to reject this Plan and is not entitled to vote to accept or reject this Plan.

3.8.2. Distributions. Each Holder of an Equity Interest in Holdings, Monroe or Kewadin shall not receive or retain any interest or property under this Plan and all Equity Interests in Holdings, Monroe and Kewadin shall be cancelled and extinguished.

## ARTICLE IV

### **EXECUTION AND IMPLEMENTATION OF THE PLAN**

4.1. **Assumption of Liability.** The Reorganized Debtors shall be responsible for satisfying all of the Allowed Claims in accordance with the terms and provisions of this Plan.

4.2. **Continued Corporate or Company Existence of Reorganized Holdings, Reorganized Casino, Reorganized Builders and Reorganized Realty.**

4.2.1. Holdings shall continue to exist as Reorganized Holdings with all the powers of a limited liability company under Michigan law pursuant to Holdings' organizational documents in effect prior to the Effective Date. All assets of Holdings shall be retained by Reorganized Holdings.

- 4.2.2. Casino shall continue to exist as Reorganized Casino with all the powers of a limited liability company under Michigan law pursuant to Casino's membership agreement and other organizational documents in effect prior to the Effective Date. All assets of Casino shall be retained by Reorganized Casino.
- 4.2.3. Builders shall continue to exist as Reorganized Builders with all the powers of a corporation under Michigan law pursuant to Builders' organizational documents in effect prior to the Effective Date. All assets of Builders shall be retained by Reorganized Builders.
- 4.2.4. Realty shall continue to exist as Reorganized Realty with all the powers of a corporation under Michigan law pursuant to Realty's organizational documents in effect prior to the Effective Date. All assets of Realty shall be retained by Reorganized Realty.
- 4.3. **Restructuring Transactions.** On the Effective Date:
- 4.3.1. Except as otherwise provided in this Plan, all assets of each of the Non-reorganizing Debtors shall be transferred to Reorganized Casino free and clear of all Liens, Claims, mortgages, options, rights, encumbrances and interests of any kind or nature whatsoever.
- 4.3.2. Each and every Intercompany Executory Contract shall be rejected.
- 4.3.3. Each and every Intercompany Claim shall be eliminated, including any Rejection Damages Claims arising from the implementation of section 4.2.2, above.
- 4.3.4. Each and every Intercompany Interest shall be retained, except for the Interests in Holdings, and in each of the Non-reorganizing Debtors, which Interests shall be canceled as of the Effective Date.
- 4.3.5. On the Effective Date, Reorganized Holdings shall issue 100% of the New Equity on a Pro Rata basis to the Pre-petition Lenders or their respective designees as provided for in section 3.1.2, above, provided, however, that if an Alternative Proposal is accepted pursuant to section 4.5, Reorganized Holdings shall issue the New Equity as provided for in the Alternative Proposal.
- 4.3.6. On the Effective Date, or as soon thereafter as practicable, each of the Non-reorganizing Debtors shall be dissolved.
- 4.4. **Exit Financing.** The Debtors or Reorganized Debtors may obtain Exit Financing, including a revolving line of credit or any other credit facility, subject to the following limitations:

- 4.4.1. No Exit Financing shall be drawn or used by the Debtors or Reorganized Debtors until the Effective Date.
- 4.4.2. The Debtors shall not grant or attempt to grant any Liens or security interests with priority greater than or equal to the Liens and security interests granted under the Plan Note, except as permitted under the Plan Note.
- 4.5. **Cancellation of Existing Equity Interests in Holdings and the Non-reorganizing Debtors.** Except as otherwise set forth herein, on the Effective Date all agreements, Instruments, and other documents evidencing any equity Interest in Holdings, or in any of the Non-reorganizing Debtors, and any right of any Holder in respect thereof including any Claim related thereto, shall be deemed cancelled, discharged and of no force or effect.
- 4.6. **Plan Proponents' Option to Accept an Alternative Proposal.**
- 4.6.1. The Plan Proponents reserve the right to continue to market the Debtors' assets for sale to prospective purchasers and may, at any time on or before two (2) weeks prior to the date set for the Confirmation Hearing, accept an Alternative Proposal, subject to the conditions set forth in this section 4.6.
- 4.6.2. If, on or before two (2) weeks prior to the date set for Confirmation, the Plan Proponents receive an Alternative Proposal that would provide for satisfaction in full of the Secured Lender Claim on or before the Effective Date or that is otherwise acceptable to the Plan Proponents, the Plan Proponents shall (i) promptly serve such Alternative Proposal on the Notice Parties and (ii) shall accept such Alternative Proposal unless the Alternative Proposal, in the Plan Proponents' sole determination, fails to meet the conditions set forth in section 4.6.3, below.
- 4.6.3. No Alternative Proposal shall be accepted unless:
- (i) the Alternative Proposal provides either the same or better treatment for all Creditor Classes other than the Classes of the Secured Lenders;
  - (ii) the proponent of the Alternative Proposal shows to the reasonable satisfaction of the Plan Proponents that there is a reasonable likelihood that the Alternative Proposal will result in Confirmation and Consummation of this Plan, including, without limitation, proof of committed financing and satisfactory indications that all necessary regulatory approvals will be obtained within a reasonable time; and
  - (iii) the proponent of the Alternative Proposal provides a Cash deposit in an amount that is reasonably likely, in the Plan Proponents'

discretion, taking into account the risks and costs resulting from a failure of the Alternative Proposal, to result in Confirmation and Consummation of this Plan.

4.6.4. In the event that an Alternative Proposal is accepted by the Plan Proponents, the Plan Proponents shall provide notice of the accepted Alternative Proposal as quickly as practicable and shall file appropriate documents with the Bankruptcy Court describing the Alternative Proposal and the effect of the Alternative Proposal on the treatment of each Creditor Class, if any. If, in their sole discretion, the Plan Proponents deem an amendment to the Plan and/or Plan Supplement to be necessary or advisable, the Plan Proponents may amend the Plan and/or the Plan Supplement and may seek Confirmation of the Plan, as amended, without additional disclosure or the need to re-solicit votes accepting or rejecting the amended Plan.

4.7. **Dissolution of the Creditors' Committee.**

4.7.1. The Creditors' Committee shall continue in existence until the Effective Date, shall continue to exercise those powers and perform those duties specified in section 1103 of the Bankruptcy Code, and shall perform such other duties as it may have been assigned by the Bankruptcy Court prior to the Effective Date.

4.7.2. On the Effective Date, the Creditors' Committee shall be dissolved and its members shall be deemed released of all of their duties, responsibilities and obligations in connection with the Chapter 11 Cases or this Plan and its implementation, and the retention or employment of the Creditors' Committee's attorneys, financial advisors, and other agents shall terminate except as provided herein.

4.7.3. Notwithstanding anything in this section, after the passage of the Effective Date, the Creditors' Committee shall continue with respect to: (a) claims for compensation for the Creditors' Committee's Professionals; (b) any appeals of the Confirmation Order; and (c) any adversary proceedings or contested matters pending as of the Effective Date to which it is a party, including final resolution of any objections to Claims Filed by the Creditors' Committee. Notwithstanding the above, the Debtors and Reorganized Debtors shall have no further obligation to fund, compensate or reimburse the Creditors' Committee for any costs, fees or expenses incurred after the Effective Date. The Creditors' Committee shall be entitled to compensation for all fees and expenses accruing after the Effective Date, if any, solely from the Unsecured Distribution Fund.

4.8. **Funding.** The Reorganized Debtors shall fund Cash distributions under this Plan with Cash on hand, including Cash proceeds from current and future operations,



existing assets and any proceeds of litigation or settlements thereof. The Reorganized Debtors may seek any refinancing as shall be determined in the discretion of the Reorganized Debtors, or the sale or other disposition of additional stock or other securities, subject to the limitations contained in this Plan. Under no circumstances shall any financing, refinancing or sale of securities, of any kind, obligate the Debtors or the Reorganized Debtor to accelerate any payment obligation set forth in this Plan, except as explicitly set forth in this Plan or the Plan Note.

4.9. **Post-Confirmation Sales.**

4.9.1. The Debtors shall be authorized from the Confirmation Date until the Effective Date to sell any assets pursuant to section 363 of the Bankruptcy Code, subject to the Consent of the Lenders. Such assets shall be sold free and clear of all Liens and encumbrances or interests. If the sale price of such asset is equal to or less than \$100,000 the Debtors shall be allowed to sell such asset without further notice to any party except any party that asserts a Lien against such asset. If the sale price is greater than \$100,000, the Debtors shall provide notice to (i) any party who asserts a Lien against the asset being sold; and (ii) the Stipulating Parties. If the Debtors receive a written objection, within seven (7) days, the sale shall only proceed with a motion Filed by the Debtors with notice to the objecting party. If no objections are received, the sale may be consummated by the Debtors.

4.9.2. To the extent of any asset sale by the Reorganized Debtors within the earlier of (a) one year after the Effective Date or (b) the administrative closing of the Chapter 11 Cases, the Reorganized Debtors may elect to sell such assets under section 363 of the Bankruptcy Code, and, if elected, such sale shall have be deemed to be a sale under this Plan for purposes of applying section 1146 of the Bankruptcy Code.

4.10. **Restructuring Transactions:**

4.10.1. Upon the occurrence of the Effective Date, subject to the provisions and obligations set forth in this Plan, the Reorganized Debtors may enter into such other transactions and may take any such actions as the Reorganized Debtors may deem to be necessary or appropriate without the need to provide notice or to seek approval from the Bankruptcy Court.

4.10.2. After Confirmation, but before the occurrence of the Effective Date, after seven (7) days notice to the Stipulating Parties and subject to (i) the Consent of the Lenders, (ii) applicable law and (iii) the provisions of this Plan, the Debtors may enter into further or additional restructuring transactions which may include, among other things, a change in the organizational form of any of the Debtors or Reorganized Debtors, the

merger, disposition, liquidation, or dissolution of one or more of the Asset Debtors, or the filing of registration statements of any or all of the Reorganizing Debtors with the Securities and Exchange Commission and any appropriate state agency. Provided no objection from a Stipulating Party is received within seven (7) days after service, no further notice or Bankruptcy Court approval of any kind shall be necessary for any such transactions consistent with this Plan that shall become effective after the Effective Date.

- 4.11. **Corporate or Company Action.** Each of the matters provided for in this Plan involving the organizational structure of any Debtor or Reorganized Debtor, corporate or company action to be taken or required of any Debtor or Reorganized Debtor, and the issuance of the New Equity shall, as of the Effective Date, be deemed to have occurred, and have been approved and authorized, and shall be effective as provided under this Plan without the requirement of any further action of any kind by the shareholders, directors, officers, members, or management board of the Debtors or Reorganized Debtors.
- 4.12. **Effectuating Documents.** Each of the chief executive officer and the chief financial officer or any other officer of the Debtors and, where appropriate, the Disbursing Agent, shall be and hereby is authorized to execute, deliver, file, or record such contracts, instruments, releases, indentures, and other agreements or documents, and take such actions as may be necessary or appropriate on behalf of the Debtors or Reorganized Debtors to effectuate and further evidence the terms and conditions of this Plan without further notice to or order, action or approval of the Debtors' management board or the Bankruptcy Court; except, the action of the directors or management board of the Debtors or Reorganized Debtors, as applicable, shall be required (in advance) for the exercise of any election, discretion, choice or option, the giving of any waiver or consent, or the agreement to any repeal, amendment, modification or supplement to this Plan.
- 4.13. **Exemption from Certain Transfer Taxes and Recording Fees.** Pursuant to section 1146(a) of the Bankruptcy Code, any sale or transfer from a Debtor or Reorganized Debtor to another Debtor or Reorganized Debtor or to any other Person pursuant to, in contemplation of, or in connection with this Plan, including the issuance of the New Equity, the transfer, assignment or sale of real and personal property, the creation, transfer, assignment or recording of any securities, title documents, bills of sale, leases or subleases, mortgages, security interests and other Liens and instruments, shall not be subject to any transfer or stamp taxes and any other similar tax or governmental assessment to the fullest extent contemplated by section 1146 of the Bankruptcy Code. The Confirmation Order shall direct the appropriate state or local governmental officials or agents to forego the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

#### 4.14. Preservation of Causes of Action.

4.14.1. **Vesting of Causes of Action:** In accordance with section 1123(b) of the Bankruptcy Code, except as otherwise provided in this Plan, the Reorganized Debtors shall retain and may (but are not required to) enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether belonging to the Reorganizing Debtors or the Non-reorganizing Debtors, and whether arising before or after the Petition Date, including, but not limited to, Avoidance Claims, claims and Causes of Action assigned to the Reorganized Debtors by the Non-reorganizing Debtors as provided in this Plan, and any claims and Causes of Action specifically listed in the Disclosure Statement. All such claims and Causes of Action, along with all rights, interests and defenses related thereto, shall vest with the applicable Reorganized Debtor. All Causes of Action of the Non-reorganizing Debtors shall be transferred to, and shall vest in, Reorganized Holdings.

4.14.2. **All Causes of Action are Specifically Reserved, Whether or Not Specifically Listed in this Plan, Schedules or the Disclosure Statement:** Unless any Cause of Action against a Person is expressly waived, relinquished, exculpated, released, compromised or settled in this Plan or a Final Order, the Reorganized Debtors specifically reserve all Causes of Action for later adjudication, including all Causes of Action belonging to the Non-reorganizing Debtors. Therefore, no preclusion doctrine, estoppel (judicial, equitable or otherwise) or laches shall apply to any of the Causes of Action upon, after or as a consequence of the Confirmation, the Effective Date or Consummation of this Plan.

4.14.3. **Preservation of Defensive Use of Causes of Action:** Whether or not any Cause of Action is pursued or abandoned, the Debtors and Reorganized Debtors reserve their rights to use any Cause of Action defensively, including for the purposes of asserting a setoff or recoupment, or to object to all or part of any claim pursuant to section 502(d) of the Bankruptcy Code or otherwise.

### ARTICLE V

#### PROCEDURES FOR RESOLVING DISPUTED CLAIMS

5.1. **Claims Administration.** The Debtors or Reorganized Debtors, as applicable, after consultation with the Secured Lenders, shall be responsible for and shall retain responsibility for administering, disputing, objecting to, compromising, or otherwise resolving Claims against, and Interests in, the Debtors and making distributions (if any) with respect to all Claims and Interests, except that the Creditors' Committee shall be responsible for and shall retain responsibility for administering, disputing, objecting to, compromising, or otherwise resolving all

Class 10 Claims (General Unsecured Claims Against Casino), as provided for in this Article. The Creditors' Committee shall be entitled to compensation for its activities relating to Claims administration under this section solely from the Unsecured Distribution Fund, and the Debtors and Reorganized Debtors shall have no obligation to provide any funding or compensation for such Claims administration. Nothing in this Article V shall prevent the DIP Agent or the Pre-petition Agent from disputing or objecting to any Claim on its own behalf or on behalf of the DIP Lenders or Pre-petition Lenders.

- 5.2. **Filing of Objections.** Unless otherwise provided herein or extended by the Bankruptcy Court, any objections to Claims and/or Interests shall be Filed on or before the Claim Objection Deadline. Notwithstanding any authority to the contrary, an objection to a Claim or Interest shall be deemed properly served on the Holder of the Claim or Interest if the Debtors, Reorganized Debtors or the Creditors' Committee, as the case may be, effect service in any of the following manners: (i) in accordance with Fed.R.Civ.P. 4, as modified and made applicable by Bankruptcy Rule 7004, (ii) to the extent counsel for a Holder of a Claim or Interest is unknown, by first-class mail, postage prepaid, on the signatory on the Proof of Claim or other representative identified on the Proof of Claim or any attachment thereto (or at the last known addresses of such Holders of Claims if no Proof of Claim is Filed or if the Debtors and the Creditors' Committee have been notified in writing of a change of address), or (iii) by first-class mail, postage prepaid, on any counsel that has appeared on behalf of the Holder of the Claim or Interest in the Chapter 11 Cases and has not withdrawn such appearance.
- 5.3. **Claim Dispute Resolution Procedures.** Resolution of disputes regarding Claims shall be subject to the following parameters:
- 5.3.1. If the Settlement Amount for a General Unsecured Claim, Secured Claim, Priority Claim, Administrative Claim, or other Claim or postpetition Claim is less than \$500,000, the Debtors, Reorganized Debtors or Creditors' Committee, as applicable, after consultation with the Secured Lenders, shall be authorized to settle such Claim or Interest without the need for further Bankruptcy Court approval or further notice.
- 5.3.2. If the Settlement Amount for a General Unsecured Claim, Secured Claim, Priority Claim, Administrative Claim, or other Claim or postpetition Claim is greater than or equal to \$500,000, the Debtors, Reorganized Debtors or Creditors' Committee, as applicable, after consultation with the Secured Lenders, shall file a proposed settlement stipulation with the Bankruptcy Court with notice and hearing consistent with the Local Rules and the Bankruptcy Rules.
- 5.3.3. Settlement of any pre-petition controversies in these categories resulting in monetary Claims against the Debtors shall be resolved solely by

determination and allowance of a Claim, subject to the requirements of this Article.

- 5.3.4. Settlement of any postpetition controversies in these categories resulting in monetary Claims against the Debtors or Reorganized Debtors may be resolved, where applicable, by the Debtors or Reorganized Debtors, subject to the Consent of the Lenders, by an allowance of an Administrative Claim related to such settlement, subject to the requirements of this Article.
- 5.3.5. The Debtors are authorized, subject to Consent of the Lenders, to allow Claims against specific Debtors and their Estates, where the allowance of such Claims otherwise meets the requirements of this Article.
- 5.3.6. The Debtors are authorized, subject to Consent of the Lenders, to allow Claims with a specific priority and security status, where the allowance of such Claims otherwise meets the requirements of this Article and does not in any way affect, whether as a prior or subordinated Lien, the Lien of any other party. For purposes of clarity and without limitation, the granting or recognition of a subordinated Lien shall not be Allowed, absent a Bankruptcy Court order, without the consent of all other Lien Holders with respect to the affected collateral.
- 5.3.7. The Creditors' Committee shall be authorized to settle only Class 10 Claims, and shall not be authorized to allow or permit any recovery other than the allowance of the Claim Holder's Class 10 Claims. For purposes of clarity and without limitation, the Creditors' Committee shall not be authorized to recognize or allow any Secured Claim or Priority Claim. Notwithstanding anything to the contrary in these procedures, to the extent that an asserted Secured Claim, Priority Claim or Trade Claim is recharacterized as a Class 10 Claim, the Creditors' Committee shall have no less than thirty (30) days after entry of a Final Order recharacterizing the Claim to object to Allowance of the Claim in full or in part.
- 5.4. **Determination of Claims.** Any Claim or Interest (or any revision, modification, or amendment thereof) determined and liquidated pursuant to (i) the procedures listed in this Article or (ii) a Final Order of the Bankruptcy Court shall be deemed an Allowed Claim or an Allowed Interest in such liquidated amount and satisfied in accordance with this Plan. The payment of any Allowed Claim or Allowed Interest shall be made pursuant to Articles III and VIII of this Plan, unless otherwise ordered by the Bankruptcy Court.
- 5.5. **Insider Settlements.** Notwithstanding anything contained in this Article, any settlement that involves an Insider shall be effected only in accordance with Bankruptcy Rule 9019(a).

5.6. **Ordinary Course of Business Exception.** This Article shall in no manner affect, impair, impede, or otherwise alter the right of the Debtors or Reorganized Debtors to resolve any controversy arising in the ordinary course of the Debtors' or Reorganized Debtors' business or under any other order of the Bankruptcy Court.

5.7. **Objections to Trade Claims.** The Debtors or Reorganized Debtors may object at any time prior to the first anniversary of the Effective Date to any Trade Claim on the basis that the Trade Creditor has failed to comply with the Trade Claim Election. If the objection is sustained, the Claim held by the Trade Creditor shall be recharacterized as a General Unsecured Claim under Class 10 and shall be entitled to receive or retain distributions only in the amount of its Pro Rata distribution as a Holder of a Class 10 Claim. The Debtors and Reorganized Debtors, after consultation with the Secured Lenders, shall be authorized to settle such objection without the need for further Bankruptcy Court approval or further notice.

5.8. **Adjustment to Claims Without Objection.** Any Claim that has been paid or satisfied, or any Claim that has been amended or superseded, may be adjusted or expunged on the Claims Register by the Reorganized Debtor without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court or any other Person.

5.9. **Disallowance of Claims.**

5.9.1. Any Claim or Interest held by Persons from which property is recoverable under sections 542, 543, 550, or 553 of the Bankruptcy Code or that are transferees of transfers avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, shall be deemed disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims and Interests may not receive any distribution of account of such Claims until such time as such Causes of Action against that Person have been settled or a Final Order with respect thereto has been entered and all sums due, if any, to the Debtors or Reorganized Debtors by that Person have been turned over or paid. All Claims Filed on account of any employee benefits or wages referenced in the Schedules which were paid by the Debtors prior to the Confirmation Date, shall be deemed satisfied and expunged from the Claims Register as of the Effective Date, without further notice to, or action, order, or approval of, the Bankruptcy Court.

5.9.2. **Claims Bar Date.** Except as provided herein or otherwise agreed, any and all Claims for which a Proof of Claim was Filed after the applicable Bar Date shall be deemed to be a Disallowed Claim and expunged as of the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court, and Holders of such Claims may not receive any distributions on account of such Claims, unless on or before

the Confirmation Date such late Claims have been deemed timely Filed by a Final Order.

- 5.9.3. **Amendments to Claims.** On or after the Effective Date, except as provided herein, a Claim may not be Filed or amended without the prior authorization of the Bankruptcy Court or the Reorganized Debtors. To the extent any such Claim is Filed without such authorization, such Claim shall be deemed to be a Disallowed Claim and expunged without any further notice to or action, order, or approval of the Bankruptcy Court or any other Person.
- 5.9.4. **Offer of Judgment.** The Reorganized Debtor is authorized to serve upon a Holder of a Claim an offer to allow judgment to be taken on account of such Claim, and, pursuant to Bankruptcy Rules 7068 and 9014, Fed.R.Civ.P. 68 shall apply to such offer of judgment. To the extent the Holder of a Claim must pay the costs incurred by the Reorganized Debtor after the making of such an offer, the Reorganized Debtor is entitled to setoff such amounts against the amount of any distribution to be paid to such Holder without any further notice to or action, order, or approval of the Bankruptcy Court or any other Person.

## ARTICLE VI

### CONDITIONS PRECEDENT

- 6.1. **Conditions to the Effective Date.** The following are conditions precedent to the occurrence of the Effective Date, each of which may be satisfied or waived in accordance with section 6.3 of this Plan:
- 6.1.1. The Bankruptcy Court shall have approved by Final Order a Disclosure Statement with respect to this Plan in form and substance acceptable to each of the Plan Proponents.
- 6.1.2. The Bankruptcy Court shall have entered one or more orders, which may include the Confirmation Order, authorizing the assumption and rejection of unexpired leases and executory contracts by the Debtors as contemplated by this Plan.
- 6.1.3. The Confirmation Order, in form and substance acceptable to the Plan Proponents, shall have been entered by the Bankruptcy Court and shall be a Final Order, the Confirmation Date shall have occurred, and no request for revocation of the Confirmation Order under section 1144 of the Bankruptcy Code shall have been made, or, if made, shall remain pending.

- 6.1.4. The Plan Supplement and each Exhibit, document, or agreement to be executed in connection with this Plan shall be in form and substance reasonably acceptable to the Plan Proponents.
- 6.1.5. All authorizations, consents, and regulatory approvals required for this Plan's effectiveness shall have been obtained including, without limitation, any required MGCB regulatory approvals and consents.
- 6.1.6. The Tax Rollback shall have become effective.
- 6.1.7. Reorganized Holdings' ownership structure and Casino's capitalization and management shall have been approved by the MGCB.
- 6.2. **Waiver of Conditions Precedent.** The Plan Proponents may waive any of the conditions to Confirmation of this Plan or the Effective Date (other than those set forth in Sections 6.1.5 and 6.1.7) and without further notice to or action, order, or approval of the Bankruptcy Court or any other Person, and without any formal action other than proceeding to Consummate this Plan. A failure to satisfy or waive any condition to Consummation of this Plan or the Effective Date may be asserted as a failure of Consummation of this Plan or the Effective Date regardless of the circumstances giving rise to such failure (including any action or inaction by the Person asserting such failure). The failure of the Plan Proponents, as applicable, to exercise any of the foregoing rights shall not be deemed a waiver of any other rights, and each such right shall be deemed an ongoing right, which may be asserted at any time.
- 6.3. **Effect of Non-Occurrence of Conditions to the Effective Date.** Each of the conditions to the Effective Date must be satisfied or waived pursuant to section 6.1 or section 6.2 hereof, and the Effective Date must occur within 180 days of the date that the Confirmation Order becomes a Final Order, or by such later date established by any other Final Order. If the Effective Date has not occurred within 180 days of the date that the Confirmation Order becomes a Final Order, then upon motion by one or more of the Plan Proponents made before the Effective Date and a hearing, the Confirmation Order may be vacated by the Bankruptcy Court; provided, however, that notwithstanding the Filing of such motion to vacate, the Confirmation Order may not be vacated if the Effective Date occurs before the Bankruptcy Court enters a Final Order granting such motion. If the Confirmation Order is vacated pursuant to this section 6.3 or otherwise, then except as provided in any Final Order vacating the Confirmation Order, this Plan will be null and void in all respects, including the discharge of Claims and termination of Interests pursuant to this Plan and section 1141 of the Bankruptcy Code and the assumptions, assignments, and rejections of executory contracts or unexpired leases pursuant to Article XIII, and nothing contained in this Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any Claims, Interests, Causes of Action, or Retained Actions; (2) prejudice in any manner the rights of any Debtor or any other Person; or (3) constitute an admission,



acknowledgment, offer, or undertaking of any sort by any Debtor or any other Person.

## ARTICLE VII

### EFFECT OF THIS PLAN ON CLAIMS AND INTERESTS

- 7.1. **Discharge of the Debtors.** Pursuant to section 1141(d) of the Bankruptcy Code, except as otherwise specifically provided in this Plan or in the Confirmation Order, the distributions and rights that are provided in this Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims and Causes of Action, whether known or unknown, against, liabilities of, obligations of, rights against, and Interests in the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to this Plan on account of such Claims, rights, and Interests, including, but not limited to, Claims and Interests that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims relate to services performed by employees of the Debtors prior to the Petition Date and that arise from a termination of employment or a termination of any employee or retiree benefit program, regardless of whether such termination occurred prior to or after the Effective Date, all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not (a) a Proof of Claim based upon such Claim, debt, right, or Interest is Filed or deemed Filed under section 501 of the Bankruptcy Code, (b) a Claim or Interest based upon such Claim, debt, right, or Interest is Allowed under section 502 of the Bankruptcy Code, or (c) the Holder of such a Claim, right, or Interest accepted this Plan. The Confirmation Order shall be a judicial determination of the discharge of all Claims against and Interests in the Debtors, subject to the occurrence of the Effective Date.
- 7.2. **Subordinated Claims.** The allowance, classification, and treatment of all Allowed Claims and Allowed Interests and the respective distributions and treatments under this Plan take into account and confirm the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Plan Proponents reserve the right to re-classify any Allowed Claim or Allowed Interest in accordance with any contractual, legal, or equitable subordination relating thereto.
- 7.3. **Release By Debtors of Certain Parties.** Pursuant to section 1123(b)(3) of the Bankruptcy Code, effective as of the Effective Date, each Debtor, in its individual capacity and as a debtor in possession for and on behalf of its Estate, automatically and without further notice, consent or order be deemed to have,

and shall have, conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged all Released Parties (subject only to the limitations of this section) for and from any and all Claims or Causes of Action existing from the beginning of time through the Effective Date in any manner arising from, based on, or relating to, in whole or in part, the Exculpated Claims, the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in this Plan, the business or contractual arrangements between any Debtors and any Released Party, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, or any act, omission, occurrence, or event in any manner relating to any such Claims, Interests, restructuring, a Restructuring Transaction or the Chapter 11 Cases, provided, however, all such Claims and Causes of Action against the Released Parties, except the Lenders, shall be retained by the Debtors and Reorganized Debtors solely for defensive purposes to defend against Claims asserted by the Released Parties against the Debtors or Reorganized Debtors (but such retained Claims and Causes of Action shall not be assignable except as assigned pursuant to this Plan). Notwithstanding anything to the contrary in this section 7.3, the releases provided herein are applicable to Trade Creditors only with respect to Avoidance Claims and do not effect a release of any other Claims, Causes of Action or any other liabilities or obligations owed by the Trade Creditors to the Debtors or Reorganized Debtors and only if the Trade Creditors that are, at all times, in compliance with the Trade Claim Election. The Reorganized Debtors and any newly formed entities that will be continuing the Debtors' business after the Effective Date shall be bound, to the same extent the Debtors are bound, by the releases and discharges set forth in this Plan including without limitation, this section 7.3.

- 7.4. **Releases by Holders of Claims and Interests.** Except as otherwise specifically provided in this Plan on or after the Effective Date, Holders of Claims and Interests (a) voting to accept this Plan or (b) abstaining from voting on this Plan and electing not to opt out of the release contained in this section 7.4 (which by definition, does not include Holders of Claims and Interests that are not entitled to vote in favor of or against this Plan), shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged the Debtors, the Reorganized Debtors, and the Released Parties from any and all Claims, Interests, obligations, rights, suits, damages, causes of action, remedies, and liabilities whatsoever, including any derivative Claims asserted on behalf of any Debtor, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, that such Person would have been entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, a Restructuring Transaction, the Debtors' Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in this Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims or Interests prior to or in the Chapter 11 Cases, the negotiation, formulation, or

preparation of this Plan and Disclosure Statement, or related agreements, instruments, or other documents, upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than Claims or liabilities arising out of or relating to any act or omission of the Debtors, the Reorganized Debtors, or a Released Party that constitutes failure to perform the duty to act in good faith, with the care of an ordinarily prudent person and in a manner the Debtors, the Reorganized Debtors, or the Released Parties reasonably believe to be in the best interest of the Debtors (to the extent such duty is imposed by applicable non-bankruptcy law) where such failure to perform constitutes willful misconduct or gross negligence; provided, however, that this section 7.4 shall not release any Released Party from any Cause of Action held by a Governmental Unit existing as of the Effective Date based on (i) the IRC or other domestic state, city, or municipal tax code; (ii) the environmental laws of the United States or any domestic state, city or municipality; (iii) any criminal laws of the United States or any domestic state, city or municipality; (iv) the Exchange Act, the Securities Act, or other securities laws of the United States or any domestic state, city or municipality; (v) the ERISA; or (vi) the Michigan Gaming Control and Revenue Act, MCL 432.201, *et seq.*, as amended, or the regulations promulgated thereunder.

- 7.5. **Exculpation.** Except as otherwise provided in this Plan, no Released Party shall have or incur, and each Released Party is hereby released and exculpated from, any Claim, obligation, cause of action, or liability for any Exculpated Claim, except for gross negligence or willful misconduct, but in all respects such Released Parties shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to this Plan. The Debtors and the Reorganized Debtors (and each of their respective Affiliates, agents, directors, members, managers, partners, officers, employees, advisors, and attorneys) have, and on the Confirmation Date shall be deemed to have, participated in compliance with the applicable provisions of the Bankruptcy Code with regard to the distributions made pursuant to this Plan, and therefore are not, and on account of such distributions, shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of this Plan or such distributions made pursuant to this Plan.
- 7.6. **Injunction.** Except as provided in this Plan or the Confirmation Order, as of the Confirmation Date, all Persons that have held, currently hold, or may hold Claims or Interests that have been discharged or terminated pursuant to the terms of this Plan, including, without limitation, this Article VII, are permanently enjoined from taking any of the following actions against any of the Debtors, the Reorganized Debtors, or their property on account of any such discharged Claims, debts, liabilities, or terminated Interests or rights: (i) commencing or continuing, in any manner or in any place, 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 the Debtors; and (v) commencing or continuing any action in any manner, in any place that does not comply, or is consistent, with the provisions of this Plan.

- 7.7. **Protections against Discriminatory Treatment.** Consistent with section 525 of the Bankruptcy Code and the Supremacy Clause of the United States Constitution, all Persons, including Governmental Units, shall not discriminate against the Reorganized Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors, or other Persons with whom such Reorganized Debtors have been associated, solely because one or more of the Debtors has been a Debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.
- 7.8. **Setoffs.** Except as otherwise expressly provided for in this Plan, each Reorganized Debtor pursuant to the Bankruptcy Code (including section 553 of the Bankruptcy Code), applicable non-bankruptcy law, or as may be agreed by the Holder of a Claim, may setoff against any Allowed Claim and the distributions to be made pursuant to this Plan on account of such Allowed Claim (before any distribution is made on account such Allowed Claim), any Claims, rights, and Causes of Action of any nature that such Debtor or Reorganized Debtor, as applicable, may hold against the Holder of such Allowed Claim, to the extent such Claims, rights, or Causes of Action against such Holder have not been otherwise compromised or settled on or prior to the Effective Date (whether pursuant to this Plan or otherwise); provided, however, that neither the failure to effect such a setoff nor the allowance of any Claim pursuant to this Plan shall constitute a waiver or release by such Reorganized Debtor of any such Claims, rights, and Causes of Action that such Reorganized Debtor may possess against such Holder. In no event shall any Holder of Claims be entitled to setoff any Claim against any Claim, right, or Cause of Action of the Debtors or Reorganized Debtor, as applicable, unless such Holder has Filed a motion with the Bankruptcy Court requesting the authority to perform such setoff on or before the Confirmation Date, and notwithstanding any indication in any Proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to section 553 of the Bankruptcy Code or otherwise.
- 7.9. **Recoupment.** In no event shall any Holder of a Claim or Interest be entitled to recoup any Claim or Interest against any Claim, right, or Cause of Action of the Debtors or the Reorganized Debtor, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors on or before the Confirmation Date, notwithstanding any indication in any Proof

of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

- 7.10. **Release of Liens.** Except as otherwise provided in this Plan or in any contract, instrument, release, or other agreement or document created pursuant to this Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to Articles III and VIII of this Plan, or with respect to the Pre-petition Lenders, the payment in full of the Claims of the Pre-petition Lenders, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Reorganized Debtors and their successors and assigns.
- 7.11. **Document Retention.** On and after the Effective Date, the Reorganized Debtors may maintain documents in accordance with their current document retention policy, as may be altered, amended, modified, or supplemented by the Reorganized Debtors.
- 7.12. **Reimbursement or Contribution.** If the Bankruptcy Court disallows a Claim for reimbursement or contribution of a Person pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the time of allowance or disallowance, such Claim shall be forever disallowed and expunged notwithstanding section 502(j) of the Bankruptcy Code, unless prior to the Confirmation Date: (1) such Claim has been adjudicated as non-contingent; or (2) the relevant Holder of a Claim has Filed a non-contingent Proof of Claim on account of such Claim and a Final Order has been entered prior to the Confirmation Date determining such Claim as longer contingent.
- 7.13. **Exclusions and Limitations on Exculpation and Releases.** Notwithstanding anything in this Plan to the contrary, no provision of this Plan or the Confirmation Order, including, without limitation, any exculpation or release provision, shall modify, release, or otherwise limit the liability of any Person not specifically released hereunder, including, without limitation, any Person who is a co-obligor or joint tortfeasor of a Released Party or who is otherwise liable under theories of vicarious or other derivative liability.

## ARTICLE VIII

### PROVISIONS GOVERNING DISTRIBUTION

- 8.1. **Distributions on Claims Allowed as of the Effective Date.** Except as otherwise provided for herein, as agreed by the relevant parties, or ordered by the Bankruptcy Court, distributions on account of Claims Allowed on or before the Effective Date under this Plan shall be made on the Distribution Date; provided, however, that Allowed Administrative Claims with respect to liabilities incurred by the Debtors in the ordinary course of business during the Chapter 11 Cases or assumed by the Debtors prior to the Effective Date shall be paid or performed in the ordinary course of business in accordance with the terms and conditions of any controlling agreements, course of dealing, course of business, or industry practice.
- 8.2. **No Interest On Disputed Claims.** Unless otherwise specifically provided for in this Plan or as otherwise required by section 506(b) of the Bankruptcy Code, interest shall not accrue or be paid on any Disputed Claim in respect of the period from the Effective Date to the date a final distribution is made when and if such Disputed Claim becomes an Allowed Claim.
- 8.3. **Disbursing Agent.** The Disbursing Agent shall make all distributions required under this Plan. The Debtors and the Reorganized Debtors, as applicable, shall have the authority, in their sole discretion, to enter into agreements with one or more Disbursing Agents to facilitate the distributions required hereunder. As a condition to serving as a Disbursing Agent, a Disbursing Agent must: (a) affirm its obligation to facilitate the prompt distribution of any documents; (b) affirm its obligation to facilitate the prompt distribution of any recoveries or distributions required hereunder; and (c) waive any right or ability to setoff, deduct from, or assert any Lien or encumbrance against the distributions required hereunder that are to be distributed by such Disbursing Agent. The Reorganized Debtors shall reimburse any Disbursing Agent for reasonable and necessary services performed by it (including reasonable attorneys' fees and documented out-of-pocket expenses) in connection with the making of distributions under this Plan to Holders of Allowed Claims or Allowed Interests, without the need for the Filing of an application with, or approval by, the Bankruptcy Court. The Disbursing Agent shall submit detailed invoices to the Debtors or the Reorganized Debtors, as applicable, for all fees and expenses for which the Disbursing Agent seeks reimbursement and the Debtors or the Reorganized Debtors, as applicable, shall pay those amounts that they, in their sole discretion, deem reasonable, and shall object in writing to those fees and expenses, if any, that the Debtors or the Reorganized Debtors, as applicable, deem to be unreasonable. To the extent that there are any disputes that the reviewing parties are unable to resolve with the Disbursing Agent, the reviewing parties shall report to the Bankruptcy Court as to whether there are any unresolved disputes regarding the reasonableness of the

Disbursing Agent's (and their attorneys') fees and expenses. Any such unresolved disputes may be submitted to the Bankruptcy Court for resolution.

- 8.4. **Surrender of Securities or Instruments.** On or before the Distribution Date, or as soon as practical thereafter, each Holder of an Instrument shall surrender such Instrument to the Disbursing Agent, and such Instrument shall be cancelled (automatically on the Effective Date and without regard to surrender) solely with respect to the Debtors and such cancellation shall not alter the obligations or rights of any non-Debtor third parties vis-a-vis one another to such Instruments; provided, however, that this section 8.4 shall not apply to any Claims Reinstated pursuant to the terms of this Plan. In the event an Instrument has been lost, stolen, destroyed, or is otherwise unavailable, the Holder of a Claim shall, in lieu of surrendering the Instrument, execute an affidavit of loss setting forth the unavailability of the Instrument and provide indemnity reasonably satisfactory to Disbursing Agent to hold the Disbursing Agent harmless from any liabilities, damages, and costs incurred in treating the Holder as a Holder of an Allowed Claim or Allowed Interest. The acceptance of the affidavit of loss and indemnity by the Disbursing Agent shall be deemed, for all purposes pursuant to this Plan, to be a surrender of such Instrument. No distribution of property hereunder shall be made to or on behalf of any such Holder unless and until such Instrument is received by the Disbursing Agent or the unavailability of such Instrument is reasonably established to the satisfaction of the Disbursing Agent. Any Holder who fails to surrender or cause to be surrendered such Instrument, or fails to execute and deliver an affidavit of loss and indemnity reasonably satisfactory to the Disbursing Agent prior to the first anniversary of the Effective Date, shall be deemed to have forfeited all rights and Claims in respect of such Instrument and shall not participate in any distribution hereunder, and all property in respect of such forfeited distribution, including any dividends or interest attributable thereto, shall revert to the Reorganized Debtors notwithstanding any federal or state escheat laws to the contrary.
- 8.5. **Delivery of Distributions in General.** Except as otherwise provided in this Plan, and notwithstanding any authority to the contrary, distributions to Holders of Allowed Claims and Allowed Interests shall be made by the Disbursing Agent (a) at the addresses set forth on the Proofs of Claim Filed by such Holders of Claims or Interests (or at the last known addresses of such Holders of Claims or Interests if no Proof of Claim is Filed or if the Debtors have been notified in writing of a change of address), (b) at the addresses set forth in any written notices of address changes delivered to the Disbursing Agent after the date of any related Proof of Claim, (c) at the addresses reflected in the Schedules if no Proof of Claim has been Filed and the Disbursing Agent has not received a written notice of a change of address, or (d) on any counsel that has appeared in the Chapter 11 Cases on the Holder's behalf. Except as set forth herein, distributions under this Plan on account of Allowed Claims shall not be subject to levy, garnishment, attachment, or like legal process, so that each Holder of an Allowed Claim shall have and receive the benefit of the distributions in the manner set forth in this Plan. The

Debtors, the Reorganized Debtors, and the Disbursing Agent, as applicable, shall not incur any liability whatsoever on account of any distributions under this Plan except for gross negligence or willful misconduct.

- 8.6. **Compliance with Tax Requirements and Allocations.** In connection with this Plan, to the extent applicable, the Reorganized Debtors and the Disbursing Agent shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant to this Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in this Plan to the contrary, the Reorganized Debtors and the Disbursing Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under this Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Reorganized Debtors reserve the right, in their sole discretion, to allocate all distributions made under this Plan in compliance with all applicable wage garnishments, alimony, child support, other spousal awards, Liens, and encumbrances
- 8.7. **Distributions for Tax Purposes.** For tax purposes, distributions in full or partial satisfaction of Allowed Claims shall be allocated first to the principal amount of Allowed Claims, with any excess allocated to unpaid interest that accrued on such Claims.
- 8.8. **Undeliverable Distributions.** If any distribution to a Holder of a Claim or Interest is returned as undeliverable, no further distributions to such Holder of such Claim or Interest shall be made unless and until the Disbursing Agent is notified of the then-current address of such Holder of the Claim or Interest, at which time all missed distributions shall be made to such Holder of the Claim or Interest without interest. Amounts in respect of undeliverable distributions shall be returned to the Reorganized Debtors until such distributions are claimed. No later than ninety (90) days after the first Distribution Date, the Reorganized Debtors shall File with the Bankruptcy Court a list of the Holders of undeliverable distributions. This list shall be maintained and updated periodically in the sole discretion of the Reorganized Debtors for as long as the Debtors' Chapter 11 Cases stay open. Nothing contained herein shall require the Reorganized Debtors to attempt to locate any Holder of an Allowed Claim or Allowed Interest. All claims for undeliverable distributions must be made on or before the later to occur of (i) the first anniversary of the Effective Date or (ii) six months after such Holder's Claim or Interest becomes an Allowed Claim or Allowed Interest, after which date all such Allowed Claims or Allowed Interests shall be deemed unclaimed property under section 317(b) of the Bankruptcy Code and shall revert to the Reorganized Debtors free of any restrictions thereon and the Claim of any Holder or successor to such Holder with respect to such property shall be



discharged and forever barred, notwithstanding federal or state escheat laws to the contrary.

8.9. **Procedures for Treating and Resolving Disputed and Contingent Claims.**

8.9.1. **Payments and Distributions on Disputed Claims.** Except as otherwise provided in this Plan, ordered by the Bankruptcy Court, or as agreed to by the relevant parties, distributions under this Plan on account of Disputed Claims that become Allowed after the Effective Date shall be made on a Distribution Date or the first Periodic Distribution Date that is at least thirty (30) days after the Disputed Claim becomes an Allowed Claim or Allowed Interest; provided, however, that Disputed Administrative Claims with respect to liabilities incurred by the Debtors in the ordinary course of business during the Chapter 11 Cases or assumed by the Debtors on or before the Effective Date that become Allowed after the Effective Date shall be paid or performed in the ordinary course of business in accordance with the terms and conditions of any controlling agreements, course of dealing, course of business, or industry practice.

8.9.2. **No Distributions Pending Allowance.** Notwithstanding any provision otherwise in this Plan and except as otherwise agreed by the relevant parties: (a) no partial payments and no partial distributions shall be made with respect to a Disputed Claim until all such disputes in connection with such Disputed Claim have been resolved by settlement or Final Order; and (b) any Person that holds both an Allowed Claim and a Disputed Claim shall not receive any distribution on the Allowed Claim unless and until all objections to the Disputed Claim have been resolved by settlement or Final Order and the Claims have been Allowed. All distributions made pursuant to this Plan on account of an Allowed Claim or Allowed Interest shall be made together with any dividends, payments, or other distributions made on account of, as well as any obligations arising from, the distributed property as if such Allowed Claim or Allowed Interest had been an Allowed Claim or Allowed Interest on the dates distributions were previously made to Holders of Allowed Claims or Allowed Interests included in the applicable Class.

8.9.3. **Distribution Reserve.** On the Effective Date, the Reorganized Debtors shall establish one or more Distribution Reserves for the purpose of effectuating distributions to Holders of Disputed Claims or Disputed Interests pending the allowance or disallowance of such Claims or Interests in accordance with this Plan.

8.9.4. **Estimation of Claims for Distribution Reserve.** The amount of New Equity or Cash withheld as a part of each Distribution Reserve for the benefit of a Holder of a Disputed Claim shall be equal to the lesser of the following: (a) (i) if no estimation is made by the Bankruptcy Court

pursuant to section 502(c) of the Bankruptcy Court hereof, the number of units of New Equity or amount of Cash necessary to satisfy the distributions required to be made pursuant to this Plan based on the asserted amount of the Disputed Claim or, if the Claim is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code as of the Distribution Record Date, the amount that the Reorganized Debtors elect in their sole discretion to withhold on account of such Claim in the Distribution Reserve; or (ii) the number of units of New Equity or amount of Cash necessary to satisfy the distributions required to be made pursuant to this Plan for such Disputed Claim based on an amount as estimated by and set forth in a Final Order for purposes of allowance and distributions; and (b) the number of units of New Equity or Cash necessary to satisfy the distributions required to be made pursuant to this Plan based on an amount as may be agreed upon by the Holder of such Disputed Claim and the Reorganized Debtors. As Disputed Claims are Allowed, the Disbursing Agent shall distribute, in accordance with the terms of this Plan, the appropriate New Equity or Cash, as applicable, to Holders of Allowed Claims or Allowed Interests, and the appropriate Distribution Reserve shall be adjusted accordingly.

8.9.5. **No Recourse to Debtors or Reorganized Debtors.** Any Disputed Claim or Disputed Interest that ultimately becomes an Allowed Claim or Allowed Interest, as the case may be, shall be entitled to receive its applicable distribution under this Plan solely from the Distribution Reserve established on account of such Disputed Claim or Disputed Interest. In no event shall any Holder of a Disputed Claim or Disputed Interest have any recourse with respect to distributions made, or to be made, under this Plan to Holders of such Claims or Interests to any Debtor or Reorganized Debtor on account of such Disputed Claim or Disputed Interest, regardless of whether such Disputed Claim or Disputed Interest shall ultimately become an Allowed Claim or Allowed Interest, as the case may be, or regardless of whether sufficient Cash, New Equity, or other property remains available for distribution in the applicable Distribution Reserve established on account of such Disputed Claim or Disputed Interest at the time such Claim or Interest becomes entitled to receive a distribution under this Plan.

8.9.6. **Tax Reporting Matters.** Subject to definitive guidance from the Internal Revenue Service or an applicable court to the contrary (including the receipt by the Reorganized Debtors of a private letter ruling or the receipt of an adverse determination by the Internal Revenue Service upon audit, if not contested by the Reorganized Debtors), the Reorganized Debtors shall treat each Distribution Reserve as a single trust, consisting of separate and independent assets to be established with respect to each Disputed Claim, in accordance with the trust provisions of the IRC, and, to the extent permitted by law, shall report consistently with the foregoing for federal,

state, and local tax purposes. All Holders of Claims shall report, for federal, state, and local tax purposes, consistently with the foregoing.

- 8.10. **De Minimis Distributions.** Neither the Disbursing Agent, the Reorganized Debtor, nor any Debtor shall have any obligation to make a distribution on account of an Allowed Claim from any Distribution Reserve or otherwise if (i) the aggregate amount of all distributions authorized to be made from such Distribution Reserve or otherwise on the Distribution Date in question is or has a value less than \$10,000; provided that the Debtors shall make a distribution on a Distribution Date of less than \$10,000 if the Debtors expect that such Distribution Date shall be the final Distribution Date or (ii) the amount to be distributed to the specific Holder of the Allowed Claim or Allowed Interest on the particular Distribution Date does not both (x) constitute a final distribution to such Holder and (y) has a value less than \$100.
- 8.11. **Fractional Payments.** Notwithstanding any other provision of this Plan to the contrary, payments of fractions of dollars or units shall not be required. Payment of fractions of dollars or units that would otherwise be distributed under this Plan shall be rounded to the nearest whole number of units or dollars, as applicable, in accordance with the following method: (a) fractions of greater than one-half (1/2) shall be rounded to the next higher whole number of dollars or units; and (b) fractions of one-half (1/2) or less shall be rounded to the next lower whole number of dollars or units.
- 8.12. **Failure to Present Checks.** Checks issued by a Disbursing Agent on account of Allowed Claims shall be null and void if not negotiated within 120 days after the issuance of such check. In an effort to ensure that all Holders of Allowed Claims receive their allocated distributions, no later than 120 days after the issuance of such checks, the Reorganized Debtors shall File with the Bankruptcy Court a list of the Holders of any un-negotiated checks. This list shall be maintained and updated periodically in the sole discretion of the Reorganized Debtors for as long as the Debtors' Chapter 11 Cases stay open. Requests for reissuance of any check shall be made directly to the Disbursing Agent by the Holder of the relevant Allowed Claim with respect to which such check originally was issued. Any Holder of an Allowed Claim holding an un-negotiated check that does not request reissuance of such un-negotiated check within 180 days after the date of mailing or other delivery of such check shall have its Claim for such un-negotiated check discharged and expunged and be discharged and forever barred, estopped, and enjoined from asserting any such Claim against the Reorganized Debtors or their property. In such cases, any Cash held for payment on account of such Claims shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code

and become property of the Reorganized Debtors, free of any Claims of such Holder with respect thereto. Nothing contained herein shall require the Reorganized Debtors to attempt to locate any Holder of an Allowed Claim.

- 8.13. **Manner of Payment Pursuant to this Plan.** Any payment in Cash to be made pursuant to this Plan shall be made at the election of the Reorganized Debtors, any Debtor, or the Disbursing Agent, as applicable, by check or by wire transfer.

## ARTICLE IX

### **MODIFICATION OF THIS PLAN**

- 9.1 **Modification of Plan.** Except as otherwise provided in this Plan, the Plan Proponents may, from time to time, propose amendments or modifications to this Plan prior to the Confirmation Date, without leave of the Bankruptcy Court. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 and those restrictions on modification set forth in this Plan, the Plan Proponents expressly reserve their rights to revoke or withdraw, or to alter, amend or modify materially this Plan with respect one or more Debtors, one or more times, after the Confirmation Date. After the Confirmation Date, the Reorganized Debtors may, with leave of the Bankruptcy Court, and upon notice and opportunity for hearing to the affected Creditor(s) and the Notice Parties only, remedy any defect or omission, reconcile any inconsistencies in this Plan or in the Confirmation Order, or otherwise modify this Plan.
- 9.2 **Effect of Confirmation on Modifications.** Entry of a Confirmation Order shall mean that all modifications or amendments to this Plan since the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.
- 9.3 **Revocation or Withdrawal of the Plan.** The Plan Proponents reserve the right to revoke or withdraw this Plan prior to the Confirmation Date and to File subsequent chapter 11 plans. If the Plan Proponents revoke or withdraw this Plan, or if Confirmation or Consummation does not occur, then: (1) this Plan shall be null and void in all respects; (2) any settlement or compromise embodied in this Plan (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption, assignment, or rejection of executory contracts or unexpired leases effected by this Plan, and any document or agreement executed pursuant to this Plan, shall be deemed null and void; and (3) nothing contained in this Plan shall: (i) constitute a waiver or release of any Claims, Interests, or Causes of Action; (ii) prejudice in any manner the right of such Debtors or any other Person; or (iii) constitute an admission,

acknowledgement, offer, or undertaking of any sort by such Debtors or any other Person. In the event that one or more, but less than all, of the Plan Proponents seeks to revoke or withdraw this Plan, nothing herein prevents any Plan Proponent from continuing to seek Confirmation of this Plan or from filing and seeking Confirmation of any alternative or competing Plan.

## ARTICLE X

### JURISDICTION OF THE BANKRUPTCY COURT

- 10.1 **Jurisdiction.** Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, or related to, the Chapter 11 Cases and this Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including without limitation, jurisdiction to:
- 10.1.1 Allow, disallow, determine, liquidate, classify, estimate, or establish the priority, secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the secured or unsecured status, priority, amount, or allowance of Claims or Interests;
  - 10.1.2 Decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or this Plan;
  - 10.1.3 Resolve any matters related to: (a) the assumption, assumption and assignment, or rejection of any executory contract or unexpired lease to which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Cure or Claims arising therefrom, including Cure or Claims pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any executory contract or unexpired lease that is assumed; (c) the Reorganized Debtors amending, modifying, or supplementing, after the Effective Date, pursuant to Article XI, any executory contracts or unexpired leases to the list of executory contracts and unexpired leases to be assumed or rejected or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory or expired;
  - 10.1.4 Ensure that distributions to Holders of Allowed Claims and Interests are accomplished pursuant to the provisions of this Plan;
  - 10.1.5 Adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any

applications involving any Debtor that may be pending on the Effective Date;

- 10.1.6 Adjudicate, decide, or resolve any and all matters related to any Causes of Action;
- 10.1.7 Adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;
- 10.1.8 Enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of this Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with this Plan or the Disclosure Statement;
- 10.1.9 Enter and enforce any order for the sale of property pursuant to sections 363, 1123, or 1146(a) of the Bankruptcy Code;
- 10.1.10 Resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the Consummation, interpretation, or enforcement of this Plan or any Person's obligations incurred in connection with this Plan;
- 10.1.11 Issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Person with Consummation or enforcement of this Plan;
- 10.1.12 Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the releases, injunctions, and other provisions contained in Article VII, and enter such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions;
- 10.1.13 Resolve any and all cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by a Holder of a Claim for amounts not timely repaid;
- 10.1.14 Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;
- 10.1.15 Adjudicate any and all disputes arising from or relating to payments or distributions under this Plan;

- 10.1.16 Consider any and all modifications of this Plan, to cure any defect or omission, or to reconcile any inconsistency in any Final Order, including the Confirmation Order;
- 10.1.17 Hear and determine requests for the payment or distribution on account of Claims entitled to priority pursuant to section 507 of the Bankruptcy Code;
- 10.1.18 Hear and determine any and all disputes arising in connection with the interpretation, implementation, or enforcement of this Plan or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with this Plan;
- 10.1.19 Hear and determine any and all disputes arising under sections 525 or 543 of the Bankruptcy Code;
- 10.1.20 Hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code with any tax incurred or alleged to be incurred by any Debtor or Reorganized Debtor as a result of Consummation of the Plan being considered to be incurred or alleged to be incurred during the administration of these Chapter 11 cases for purposes of Section 505(b) of the Bankruptcy Code;
- 10.1.21 Hear and determine any and all disputes involving the existence, nature, or scope of the Debtors' discharge, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred prior to or after the Effective Date;
- 10.1.22 Determine any other matters that may arise in connection with or relate to this Plan, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, indenture, or other agreement or document created in connection with this Plan or the Disclosure Statement;
- 10.1.23 Enforce any orders previously entered by the Bankruptcy Court;
- 10.1.24 Hear any and all other matters not inconsistent with the Bankruptcy Code; and
- 10.1.25 Enter an order or Final Decree concluding or closing the Chapter 11 Cases.

## ARTICLE XI

### TITLE TO PROPERTY

- 11.1. **Revesting of Assets.** Except as otherwise explicitly provided for in this Plan, on the Effective Date, all property comprising assets of the Estates of the Reorganizing Debtors (including Retained Actions, but excluding property that has been abandoned or settled pursuant to an order of the Bankruptcy Court) shall vest in Reorganized Casino, Reorganized Builders, Reorganized Realty, or Reorganized Holdings, as applicable, free and clear of all Claims, Liens, charges, encumbrances, right, and Interests of Creditors and equity security Holders. All property comprising assets of the Estates of the Non-reorganizing Debtors (other than Retained Actions) shall vest in Reorganized Casino. All Retained Actions of the Non-reorganizing Debtors shall vest in Reorganized Holdings. As of and following the Effective Date, the Reorganized Debtors may operate their businesses and use, acquire, and dispose of property and settle and compromise Claims or Interests without the supervision of the Bankruptcy Court, free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by this Plan and the Confirmation Order.

## ARTICLE XII

### UNITED STATES TRUSTEE FEES & REGULATORY COMPLIANCE

- 12.1 **Payment of U.S. Trustee Fees.** The Reorganized Debtors shall pay to the United States Trustee the appropriate sum required pursuant to 28 U.S.C. § 1930(a)(6) and shall provide the United States Trustee with an appropriate affidavit indicating the Cash disbursements for the relevant period until such time as the Chapter 11 Cases are administratively closed.
- 12.2 **MCGB Supervision.** Pursuant to the Michigan Gaming Control and Revenue Act, MCL 432.201 *et seq.*, the MCGB shall have continuing regulatory authority over any Debtor, the Reorganized Debtor, and their successors and assigns, subject to the Bankruptcy Code; provided, however, that, notwithstanding its continuing regulatory role, as of the Confirmation Date, the MCGB shall be deemed to have consented to this Plan and shall take no action that may or will have the effect of impairing or rendering void any provision of this Plan. In the event of a dispute arising under this section, the MCGB and the Debtors or the Reorganized Debtor shall, in good faith, meet and confer to reach a consensual resolution. In the event a consensual resolution is not achieved, the Bankruptcy Court retains jurisdiction to resolve the dispute until the entry of a Final Decree in the Chapter 11 Cases.



## ARTICLE XIII

### EXECUTORY CONTRACTS

- 13.1 **Executory Contracts and Unexpired Leases.** All executory contracts and unexpired leases as to which any Debtor is a party shall be deemed automatically assumed in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code as of the Effective Date, unless such executory contracts or unexpired leases (i) shall have been previously rejected by the Debtors by Final Order of the Bankruptcy Court; (ii) shall be the subject of a motion to reject or assume such contract or lease pending on the Effective Date; (iii) shall have expired or terminated on or prior to the Effective Date (and not otherwise extended) pursuant to their own terms; (iv) are listed on the schedule of rejected executory contracts and unexpired leases attached hereto as Exhibit 13.1, provided, however, that the Debtors reserve their right, at any time prior to the Effective Date, to amend Exhibit 13.1 to delete therefrom or add thereto an executory contract or unexpired lease with notice to the affected Creditor only; or (v) are otherwise rejected pursuant to the terms of this Plan. Entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of the rejections and assumptions contemplated hereby pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. Each executory contract or unexpired lease assumed pursuant to this section 13.1 shall vest in, and be fully enforceable by, the applicable Reorganized Debtor in accordance with its terms, except as modified by the provisions of this Plan, any order of the Bankruptcy Court authorizing or providing for its assumption, or applicable federal law. The Debtors reserve the right to file a motion on or before the Effective Date to assume or reject any executory contract or unexpired lease.
- 13.2 **Modifications and Rights Related to Unexpired Leases and Executory Contracts.** Each executory contract and unexpired lease that is assumed and relates to the use, ability to acquire, or occupancy of real or personal property shall include (i) all modifications, amendments, supplements, restatements, or other agreements made directly or indirectly by any agreement, instrument, or other document that in any manner affect such executory contract or unexpired lease, and (ii) all executory contracts or unexpired leases, appurtenant to the premises, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, uses, or franchises, and any other interests in real estate or rights *in rem* related to such premises, unless any of the foregoing agreements has been rejected pursuant to an order of the Bankruptcy Court or is otherwise rejected as part of this Plan. In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming any unexpired leases pursuant to section 365(d)(4) of the Bankruptcy Code. Modifications, amendments, supplements, and restatements to executory contracts and unexpired leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the pre-petition nature of the executory contract or unexpired

lease, or the validity, priority, or amount of any Claim that may arise in connection therewith.

- 13.3 **Cure of Defaults for Assumed Executory Contracts and Unexpired Leases.** If there is a dispute regarding (a) the nature or amount of any Cure, (b) the ability of the Reorganized Debtor or any assignee to provide “adequate assurance of performance” (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed, or (c) any other matter pertaining to the assumption, the Cure shall occur following the entry of a Final Order resolving the dispute and approving the assumption or assumption and assignment, as the case may be; provided, however, if there is a dispute as to the amount of Cure that cannot be resolved consensually among the parties, the Debtors or the Reorganized Debtors shall have the right to reject the contract or lease for a period of five (5) days after entry of a Final Order establishing a Cure amount in excess of that provided by the Debtors or the Reorganized Debtors. Upon reasonable request, the Notice Parties shall be provided access to information regarding the Debtors’ or the Reorganized Debtors’ proposed Cure payments.
- 13.4 **Claims Based on Rejection of Executory Contracts and Unexpired Leases.** On the Effective Date, each executory contract and unexpired lease listed on Exhibit 13.1 to this Plan shall be rejected pursuant to section 365 of the Bankruptcy Code but only to the extent that any such contract is an executory contract or unexpired lease. The Confirmation Order shall constitute an order of the Bankruptcy Court approving the rejections described above, pursuant to section 365 of the Bankruptcy Code, as of the earlier of the Confirmation Date or (ii) the date that the affected Creditor party to such lease or executory contract is provided written notice of such rejection. All Allowed Claims arising from the rejection of unexpired leases and executory contracts shall be classified as General Unsecured Claims and shall be treated in accordance with Article III of this Plan.
- 13.5 **Rejection Damages Bar Date.** If the rejection by a Debtor, pursuant to this Plan or otherwise, of an executory contract or unexpired lease results in a Claim, then such Claim shall be forever barred and shall not be enforceable against any Debtor or Reorganized Debtor or the properties of any of them unless a Proof of Claim is Filed with the Claims Agent and served upon counsel to the Debtors or Reorganized Debtors within thirty (30) days after the later of (a) the Effective Date or (b) notice that the executory contract or unexpired lease has been rejected, unless otherwise ordered by the Bankruptcy Court. Any Proofs of Claim arising from the rejection of the Debtors’ executory contracts or unexpired leases that are not timely Filed shall be disallowed automatically, forever barred from assertion, and shall not be enforceable against the Reorganized Debtor or further notice to or action, order, or approval of the Bankruptcy Court or other Person, and any Claim arising out of the rejection of the executory contract or unexpired lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Schedules or a Proof of Claim to the contrary.

- 13.6 **Reservation of Rights.** Neither the exclusion nor inclusion of any contract or lease in this Plan, Exhibit 13.1, nor anything contained in this Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an executory contract or unexpired lease or that any Reorganized Debtor has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or the Reorganized Debtors, as applicable, shall have thirty (30) days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

## ARTICLE XIV

### MISCELLANEOUS PROVISIONS

- 14.1 **Immediate Binding Effect.** Subject to Article VI and notwithstanding Bankruptcy Rules 3020(e), 6004(g), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of this Plan shall be immediately effective and enforceable and deemed binding upon the Debtors, the Reorganized Debtors, and any and all Holders of Claims or Interests (irrespective of whether any such Holders of Claims or Interests failed to vote to accept or reject this Plan, voted to accept or reject this Plan, or is deemed to accept or reject this Plan), all Persons that are parties to or are subject to the settlements, compromises, releases, discharges, and injunctions described in this Plan or herein, each Person acquiring property under this Plan, and any and all non-Debtor parties to executory contracts and unexpired leases with the Debtors.
- 14.2 **Additional Documents.** On or before the Effective Date, the Plan Proponents may File with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of this Plan. The Debtors or the Reorganized Debtors, as applicable, and all Holders of Claims or Interests receiving distributions pursuant to this Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of this Plan.
- 14.3 **Reservation of Rights.** Except as expressly set forth in this Plan, this Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order. None of the Filing of this Plan, any statement or provision contained in this Plan, or the taking of any action by any Plan Proponent with respect to this Plan or the Disclosure Statement shall be or shall be deemed to be an admission or waiver of any rights of any Plan Proponent with respect to the Holders of Claims or Interests prior to the Effective Date.
- 14.4 **Successors and Assigns.** The rights, benefits, and obligations of any Person named or referred to in this Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign, Affiliate, officer,

director, agent, representative, attorney, beneficiary, or guardian, if any, of such Person.

14.5 **Service of Documents.**

14.5.1 After the Effective Date, any pleading, notice, or other document required by this Plan to be served on or delivered to the Debtors or Reorganized Debtors shall be sent by overnight mail, postage prepaid to:

555 E. Lafayette  
Detroit, MI 48226  
Attn: Chief Executive Officer

*with a copy to:*  
Schafer and Weiner, PLLC  
40950 Woodward Ave., Ste. 100  
Bloomfield Hills, MI 48304  
Attn: Daniel Weiner, Esq.  
Michael E. Baum, Esq.

14.5.2. After the Effective Date, the Reorganized Debtors have authority to send a notice to Persons that continue to receive documents pursuant to Bankruptcy Rule 2002, that each such Person must File a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Reorganized Debtors are authorized to limit the list of Persons receiving documents pursuant to Bankruptcy Rule 2002 to those Persons who have Filed such renewed requests.

14.6 **Entire Agreement.** Except as otherwise indicated, this Plan supersedes all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into this Plan.

14.7 **Governing Law.** Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and the Bankruptcy Rules) unless otherwise specifically stated, the laws of the State of Michigan, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction, and implementation of this Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with this Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control).

14.8 **Nonseverability of Plan Provisions.** If, prior to Confirmation, any term or provision of this Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to

be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of this Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to this Plan and may not be deleted or modified without the Debtors' consent; and (3) nonseverable and mutually dependent.

- 14.9 **Closing of Chapter 11 Cases.** The Reorganized Debtors shall, promptly after the full administration of any of the Chapter 11 Cases, File with the Bankruptcy Court, all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court to close their Chapter 11 Cases.
- 14.10 **Waiver or Estoppel.** Each Holder of a Claim or an Interest shall be deemed to have waived any right to assert any argument, including the right to argue that its Claim or Interest should be Allowed in a certain amount, in a certain priority, secured, or not subordinated by virtue of an agreement made with the Debtors, the Stipulating Parties, or their counsel, or any other Person, if such agreement was not disclosed in this Plan, the Disclosure Statement, or papers Filed with the Bankruptcy Court prior to the Confirmation Date.
- 14.11 **Conflicts and Interpretation of Plan.** Except as set forth in this Plan, to the extent that any provision of the Disclosure Statement, or any other order (other than the Confirmation Order) referenced in this Plan (or any Exhibits, schedules, appendices, supplements, or amendments to any of the foregoing), conflict with or are in any way inconsistent with any provision of this Plan, this Plan shall govern and control. To the extent a term in this Plan is ambiguous, the Reorganized Debtors are authorized to interpret such term in their sole discretion.
- 14.12 **Termination of Liens and Encumbrances.** Any of the Debtors, the Reorganized Debtors, and all parties in interest, including without limitation any Creditor, shall be required to execute any document reasonably requested by the other to memorialize and effectuate the terms and conditions of this Plan. This shall include without limitation any execution by any of the Debtors or the Reorganized Debtors of Uniform Commercial Code financing statements and the execution by Creditors of any Uniform Commercial Code termination and mortgage releases and termination. The Reorganized Debtors are expressly authorized to file any termination statement to release a Lien which is either discharged or satisfied as a result of this Plan or any payments made in accordance with this Plan.
- 14.13 **Limitations on Operations.** When the Debtors or the Reorganized Debtors have made all payments and distributions required under this Plan, all restrictions,

negative covenants, and other limitations on the Reorganized Debtors' operations provided herein or in the Confirmation Order shall terminate.

- 14.14 **Causes of Action; Standing.** Except as otherwise provided in this Plan, the Reorganized Debtors shall have the right to commence, continue, amend or compromise all Causes of Action available to any Debtor, the Estate or the debtors in possession, including without limitation all Avoidance Claims whether or not those Causes of Action or Avoidance Claims were the subject of a suit as of the Confirmation Date.

**SIGNATURES ON FOLLOWING PAGE**

**MONROE PARTNERS, L.L.C.**, as a debtor and debtor-in-possession

By: /s/ Cliff Vallier  
Name: Cliff Vallier  
Title: Authorized Officer

**KEWADIN GREEKTOWN CASINO, L.L.C.**, as a debtor and debtor-in-possession

By: /s/ Cliff Vallier  
Name: Cliff Vallier  
Title: Authorized Officer

**GREEKTOWN HOLDINGS, L.L.C.**, as a debtor and debtor-in-possession

By: /s/ Cliff Vallier  
Name: Cliff Vallier  
Title: Authorized Officer

**GREEKTOWN HOLDINGS II, INC.**, as a debtor and debtor-in-possession

By: /s/ Cliff Vallier  
Name: Cliff Vallier  
Title: Authorized Officer

**GREEKTOWN CASINO, L.L.C.**, as a debtor and debtor-in-possession

By: /s/ Cliff Vallier  
Name: Cliff Vallier  
Title: Authorized Officer

**TRAPPERS GC PARTNER, L.L.C.**, as a debtor and  
debtor-in-possession

By: GREEKTOWN CASINO, L.L.C.  
Its: Sole Member

By: /s/ Cliff Vallier  
Name: Cliff Vallier  
Title: Authorized Officer

**CONTRACT BUILDERS CORPORATION**, as a  
debtor and debtor-in-possession

By: /s/ Cliff Vallier  
Name: Cliff Vallier  
Title: Authorized Officer

**REALTY EQUITY COMPANY, INC.**, as a debtor and  
debtor-in-possession

By: /s/ Cliff Vallier  
Name: Cliff Vallier  
Title: Authorized Officer

**MERRILL LYNCH CAPITAL CORPORATION**,  
as Administrative Agent for the Pre-petition Lenders and  
the DIP Lenders

By: /s/ Michael O'Brien  
Name: Michael O'Brien  
Title: Authorized Officer



**PREPARED BY:**

/s/ Daniel J. Weiner

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and the DIP Lenders

**EXHIBIT B**

**Liquidation Analysis**

**GREEKTOWN HOLDINGS, LLC, ET AL.**  
**HYPOTHETICAL LIQUIDATION ANALYSIS**

**I. Introduction**

Under the “best interests” of creditors test set forth in section 1129(a)(7) of the Bankruptcy Code, the Bankruptcy Court may not confirm a plan of reorganization unless the plan provides each holder of a claim or interest who does not otherwise vote in favor of the plan with property of a value, as of the effective date of the plan, that is not less than the amount that such holder would receive or retain if the debtor was liquidated under Chapter 7 of the Bankruptcy Code. To demonstrate that the Plan satisfies the “best interests” of the creditors test, the Debtors and their professionals have prepared the following liquidation analysis (the “Liquidation Analysis”).

The Liquidation Analysis estimates potential cash distribution to holders of allowed claims in a hypothetical Chapter 7 liquidation of the Debtors’ assets. The assumptions used in the liquidation analysis may be affected by events or conditions not presently contemplated. These assumptions are also subject to significant uncertainties, many of which are outside of the control of the Debtors. As a result, there can be no assurance that the values set forth in the liquidation analysis would be realized if the Debtors were to undergo a Chapter 7 liquidation.

**II. Scope, Intent, and Purpose of the Liquidation Analysis**

The determination of the costs of, and hypothetical proceeds from, the liquidation of the Debtors’ assets is an uncertain process involving the extensive use of estimates and assumptions that, although considered reasonable by the Debtors, are inherently subject to significant business, economic, and competitive uncertainties and contingencies beyond the control of the Debtors, their management, and their professionals. Inevitably, some assumptions in the Liquidation Analysis would not materialize in an actual Chapter 7 liquidation, and unanticipated events and circumstances could affect the ultimate results in an actual Chapter 7 liquidation. In addition, the Debtors’ management or its professionals cannot judge with any degree of certainty the impact of the liquidation asset sales on the recoverable value of the Debtors’ assets. The Liquidation Analysis was prepared for the sole purpose of generating a reasonable good-faith estimate of the proceeds that would be generated if the Debtors were liquidated in accordance with Chapter 7 of the Bankruptcy Code. The Liquidation Analysis is not intended, and should not be used, for any other purpose. The underlying financial information in the Liquidation Analysis was not compiled or examined by any independent accountants. No independent appraisals were conducted in preparing the Liquidation Analysis. **NEITHER THE DEBTORS NOR THEIR PROFESSIONALS MAKE ANY REPRESENTATION OR WARRANTY THAT THE ACTUAL RESULTS WOULD OR WOULD NOT APPROXIMATE THE ESTIMATES AND ASSUMPTIONS REPRESENTED IN THE LIQUIDATION ANALYSIS. ACTUAL RESULTS COULD VARY MATERIALLY.**

In preparing the Liquidation Analysis, the Debtors estimated the amount of allowed claims based upon internal information and claims filed to date. In addition, the Liquidation

Analysis includes estimates for claims not currently asserted in the Chapter 11 Cases, but which could be asserted and allowed in a Chapter 7 liquidation, including administrative claims, wind-down costs, trustee fees, tax liabilities, and contract rejection claims. To date, the Bankruptcy Court has not estimated or otherwise fixed the total amount of allowed claims used for purposes of preparing this Liquidation Analysis. The Debtors' estimate of allowed claims set forth in the Liquidation Analysis should not be relied on for any other purpose including determining the value of any distribution to be made on account of allowed claims under the Plan. **NOTHING CONTAINED IN THE LIQUIDATION ANALYSIS IS INTENDED TO BE OR CONSTITUTES A CONCESSION OR ADMISSION OF THE DEBTORS. THE ACTUAL AMOUNT OF ALLOWED CLAIMS IN THE CHAPTER 11 CASES COULD MATERIALLY DIFFER FROM THE ESTIMATED AMOUNTS SET FORTH IN THE LIQUIDATION ANALYSIS.**

### **III. General Notes to the Liquidation Analysis**

#### **A. Conversion Date and Appointment of a Chapter 7 Trustee**

The Liquidation Analysis assumes conversion of the Debtors' Chapter 11 cases to Chapter 7 liquidation cases on August 31, 2009 (the "Conversion Date"). On the Conversion Date, it is assumed that the Bankruptcy Court would appoint one Chapter 7 trustee (the "Trustee") to oversee the liquidation of the Debtors' estates. Should multiple Trustees be appointed to administer the Debtors' estates, lower recoveries and higher administrative costs could result and distributions to creditors could be delayed.

#### **B. Assets to be Liquidated**

The Liquidation Analysis assumes a liquidation of all of the Debtors' assets which primarily consist of a casino gaming facility, a 400-room hotel, several restaurants and food outlets, a nightclub, several bars and cocktail lounges, an entertainment facility, meeting rooms, banquet facilities, a parking garage, retail shopping and related improvements.

#### **C. Methodologies**

Two different approaches were used to estimate the approximate liquidation range of value for the Debtors' assets: (a) a forced sale analysis of the business as a going concern; and (b) an asset-by-asset liquidation analysis. The Debtors believe that the forced sale as a going concern scenario would generate greater liquidation proceeds. That notwithstanding, as a result of regulatory issues, including the requirement that the operator of a casino business in the State of Michigan be licensed, it is possible that the casino would be closed and the assets would be sold on a piecemeal basis.

Under both approaches, reductions were made to the values derived to reflect the forced sale nature of a Chapter 7 liquidation. These reductions were derived by considering such factors as the shortened time period involved in the sale process, discounts buyers would require given a shorter due diligence period and therefore potentially higher risks buyers might assume,

potentially negative perceptions involved in liquidation sales, the current state of the capital markets, the limited universe of prospective buyers, and the "bargain hunting" mentality of liquidation sales.

The estimated liquidation value of the Debtors' assets in both scenarios was used to determine the recovery percentages based on the unaudited book values set forth in Debtors' projected balance sheet as of August 31, 2009. Both liquidation scenarios assume a liquidation of the Debtors' assets occurs over a six month time frame which reflects an estimate of the time required to dispose of the material assets. Both scenarios also assume that certain non-core parking lots and a parking garage would be sold separately from the casino property. The assumed liquidation value of these non-core assets is based on prior offers received for those assets discounted to reflect the forced sale nature of a liquidation.

#### D. Estimated Costs of Liquidation

Wind-down costs consist of the costs of any professionals the Trustee employs to assist with the liquidation process, including investment bankers, attorneys, and other advisors. Chapter 7 Trustee fees necessary to facilitate the sale of the Debtors' assets were assumed to equal 3% of the liquidation proceeds generated. These fees would be used specifically for developing marketing materials and facilitating the solicitation process for the parties, given the complexity and nature of the Debtors' estates. This estimate also takes into account the time that will be required for the Trustee and any professionals to become educated with respect to the Debtors' business and the Chapter 11 cases. Professional fees were estimated at \$3 million, or \$500,000 per month for six months. The Debtors have also assumed that retention pay would be required to keep key employees on the job to assist with the liquidation. Such retention pay is estimated at \$500,000 in the asset-by-asset scenario and \$1 million on the forced sale as a going concern scenario.

#### IV. Forced Sale of the Business as a Going Concern Scenario

The Debtors believe that the assets have their greatest potential recovery value if liquidated for the purposes of continuing to operate as a gaming establishment. This analysis assumes that casino operating activity would not be negatively impacted during the liquidation period and that cash flows during the liquidation period would be neutral and thus would not impact the hypothetical liquidation values. This scenario assumes that the Trustee will assume and assign to the purchaser all executory contracts and unexpired leases related to the ongoing operations of the Debtors. This scenario also assumes that the existing staff currently employed at the Debtors' property will remain with the Debtors and maintain employment at the time of the hypothetical sale. If the cash flows from the casino property are not sufficient to fund the ongoing operations during this period, the Trustee may have to lower expectations related to potential recovery value for the casino property and further reduce the recovery estimates contained in this Liquidation Analysis.

The Debtors estimate that the value which would be generated by selling the business as a going concern on a forced sale basis would approximate \$300 million to \$350 million. This is

supported by apparent multiples in a recent comparable transaction. The mid-point of this range of value (\$325 million) approximates a 40% discount from the mid-point of the estimated range of reorganization value (\$540 million) of the Debtors' assets.

## **V. Asset-by-Asset Liquidation Scenario**

### **A Cash and Cash Equivalents**

Cash in the operating account or bank account is assumed to be recovered at 100% of the stated value. Cash held on the casino floor and in the cages is assumed to be recovered at 100% less an estimated \$400,000 for payment to dealers for dealer tips held by the casino.

### **B. Accounts and Notes Receivable**

Estimated recoveries on accounts and notes receivable recovery is based upon a detailed review of the Debtors' trial balances, specifically those relating to accounts and notes receivable. The Debtors and their professionals assumed the Debtors would collect substantially all outstanding accounts and notes receivable from institutional organizations, and would recover between 0% and 50% of outstanding receivables from patrons and lease holders.

### **C. Inventory, Prepaid, and Other Current Assets**

This scenario assumes that there would be zero recovery on inventory as it generally relates to Greektown Casino-designated supplies and perishable inventory. This scenario also assumes that all prepaid and other assets are fully amortized by the completion of the liquidation and would have zero recovery.

### **D. Property and Equipment**

This scenario assumes that the Debtors' property and equipment would be sold in a situation where there is no operating casino. Accordingly, the Debtor's believe this would drastically reduce the value which could be generated in a liquidation sale. The casino facility is a single use type facility in a city and region which is economically depressed. In the absence of an operating casino, the hotel and parking garage would both lose their primary draw to attract customers. While it is exceedingly difficult to estimate the liquidation proceeds which could be generated from these assets, the Debtors and their professionals have estimated that the proceeds generated would approximate 5% to 10% of cost which would generate proceeds in the range of \$29 million to \$58 million. This estimate factors in the estimated carrying costs of holding the assets until they are sold in six months. These carrying costs would include, but are not limited to, insurance, utilities and property taxes.

### **E. Other Assets**

This analysis assumes that the financing fees and deferred Michigan Business Tax assets would be fully amortized or otherwise written off by the completion of the liquidation and would

therefore have zero recovery. The analysis also assumes that Greektown Casino would be able to sell its liquor license for approximately \$9,000 to \$12,000, or 30% to 40% of book value.

## **VI. Estimated Recoveries**

### **A. DIP Facility**

The DIP facility is estimated to approximate \$200 million as of August 31, 2009. The forced sale as a going concern scenario estimates that these claims would be satisfied in full in a Chapter 7 liquidation, while the asset-by-asset scenario estimates that these claims would receive between 35-52% of their value in a Chapter 7 liquidation.

### **B. Administrative and Priority Claims**

Administrative and priority claims are estimated to approximate \$25 million to \$28 million as of August 31, 2009. Such claims include a contracted management success fee, post-petition accounts payable and accrued expenses, 503(b)(9) claims, DIP facility exit fees, and estimated liabilities to taxing authorities. The forced sale as a going concern scenario estimates that these claims would be satisfied in full in a Chapter 7 liquidation, while the asset-by-asset scenario estimates that there would be insufficient liquidation proceeds for any recovery related to these claims in a Chapter 7 liquidation.

### **C. Pre-Petition Secured Debt**

Pre-petition secured debt is estimated to approximate \$346 million as of August 31, 2009. The pre-petition secured debt includes the revolving credit facility, term loans, letter of credit draws, swap agreement termination values, and accrued but unpaid adequate protection payments. The forced sale scenario estimates that these claims would receive between 20-35% of their value in a Chapter 7 liquidation, while the asset-by-asset scenario estimates that there would be insufficient liquidation proceeds for any recovery related to these claims in a Chapter 7 liquidation.

### **D. All Other Classes of Claims**

Both liquidation scenarios estimate that there would be insufficient liquidation proceeds for any recovery related to these claims in a Chapter 7 liquidation.

GREEKTOWN HOLDINGS, LLC, ET AL.  
HYPOTHETICAL LIQUIDATION ANALYSIS  
AS OF AUGUST 31, 2009

FORCED SALE APPROACH

Description	Projected 08/31/09	Chapter 7 Liquidation Recovery	
		Low	High
<b>STATEMENT OF ASSETS</b>			
<b>Current Assets</b>			
Cash - Operating Account	23,079		
Cash - Casino, Other	15,000		
Accounts and Notes Receivable	7,387		
Inventories	576		
Prepays / Other	14,179		
<b>Total Current Assets</b>	<b>60,221</b>		
<b>Property, Building and Equipment</b>			
Subtotal	584,318		
Less: Accumulated D&A	(144,316)		
<b>Property, Building and Equipment, Net</b>	<b>440,002</b>		
<b>Other Assets</b>			
Financing Fees, Net	10,573		
Deposits and Other Assets	30		
Deferred MBT	1,236		
<b>Total Other Assets</b>	<b>11,839</b>		
<b>Assets</b>	<b>512,062</b>	<b>300,000</b>	<b>350,000</b>
Non-core parking lots and garage	49,992	7,900	11,850
<b>Total Assets</b>	<b>562,054</b>	<b>307,900</b>	<b>361,850</b>
<b>Estimated Costs of Chapter 7 Liquidation</b>			
Chapter 7 Trustee Fees		9,237	10,856
Chapter 7 Professional Fees		3,000	3,000
Retention Pay		1,000	1,000
<b>Total Estimated Costs of Liquidation</b>		<b>13,237</b>	<b>14,856</b>
<b>Estimated Asset Value Available for Distribution</b>		<b>294,663</b>	<b>346,995</b>
<b>DIP Loans</b>			
Liquidation Proceeds Available		199,527	199,527
		294,663	346,995
<b>Excess (Deficiency) on DIP Loans</b>		<b>95,136</b>	<b>147,468</b>
<b>Administrative and Priority Claims</b>			
Liquidation Proceeds Available		26,967	27,507
		95,136	147,468
<b>Excess (Deficiency) on Administrative and Priority Claims</b>		<b>68,169</b>	<b>119,961</b>



**GREEKTOWN HOLDINGS, LLC, ET AL.**  
**HYPOTHETICAL LIQUIDATION ANALYSIS**  
**AS OF AUGUST 31, 2009**

**FORCED SALE APPROACH**

Description	Projected 08/31/09	Chapter 7 Liquidation Recovery	
		Low	High
Pre-Petition Secured Debt		346,223	346,223
Liquidation Proceeds Available		68,169	119,961
Excess (Deficiency) on Pre-Petition Secured Debt		(278,054)	(226,262)
Estimated Allowed Trade and General Unsecured Claims against Casino		39,406	39,406
Liquidation Proceeds Available		0	0
Excess (Deficiency) on Trade and General Unsecured Claims against Casino		(39,406)	(39,406)
Senior Notes		194,927	194,927
Liquidation Proceeds Available		0	0
Excess (Deficiency) on Senior Notes		(194,927)	(194,927)
Monroe / Kewadin Creditors		76,366	76,366
Liquidation Proceeds Available		0	0
Excess (Deficiency) to Monroe / Kewadin Creditors		(76,366)	(76,366)

GREEKTOWN HOLDINGS, LLC, ET AL.  
 HYPOTHETICAL LIQUIDATION ANALYSIS  
 AS OF AUGUST 31, 2009

FORCED SALE APPROACH

Description	Amount of Claim		Estimated Recovery		Estimated Recovery %	
	Low	High	Low	High	Low	High
DIP Loans	199,527	199,527	199,527	199,527	100.0%	100.0%
Estimated Administrative and Priority Claims	26,967	27,507	26,967	27,507	100.0%	100.0%
Pre-Petition Secured Debt	346,223	346,223	68,169	119,961	19.7%	34.6%
Estimated Allowed Trade and General Unsecured Claims against Casino	39,406	39,406	0	0	0.0%	0.0%
Senior Notes	194,927	194,927	0	0	0.0%	0.0%
Monroe / Kewadin Creditors	76,366	76,366	0	0	0.0%	0.0%

**GREEKTOWN HOLDINGS, LLC, ET AL.**  
**HYPOTHETICAL LIQUIDATION ANALYSIS**  
**AS OF AUGUST 31, 2009**

**ASSET BY ASSET APPROACH**

Description	Projected 08/31/09	Chapter 7 Liquidation Recovery	
		Low	High
<b>STATEMENT OF ASSETS</b>			
<b>Current Assets</b>			
Cash - Operating Account	23,079	23,079	23,079
Cash - Casino, Other	15,000	14,600	14,600
Accounts and Notes Receivable	7,387	1,587	2,714
Inventories	576	0	0
Prepays / Other	14,179	0	0
<b>Total Current Assets</b>	<b>60,221</b>	<b>39,266</b>	<b>40,393</b>
<b>Property, Building and Equipment</b>			
Subtotal	584,318	29,216	58,432
Less: Accumulated D&A	(144,316)	0	0
<b>Property, Building and Equipment, Net</b>	<b>440,002</b>	<b>29,216</b>	<b>58,432</b>
<b>Other Assets</b>			
Financing Fees, Net	10,573	0	0
Deposits and Other Assets	30	9	12
Deferred MBT	1,236	0	0
<b>Total Other Assets</b>	<b>11,839</b>	<b>9</b>	<b>12</b>
<b>Assets</b>	<b>512,062</b>	<b>68,491</b>	<b>98,837</b>
Non-core parking lots and garage	49,992	7,900	11,850
<b>Total Assets</b>	<b>562,054</b>	<b>76,391</b>	<b>110,687</b>
<b>Estimated Costs of Chapter 7 Liquidation</b>			
Chapter 7 Trustee Fees		2,292	3,321
Chapter 7 Professional Fees		3,000	3,000
Retention Pay		500	500
<b>Total Estimated Costs of Liquidation</b>		<b>5,792</b>	<b>6,821</b>
<b>Estimated Asset Value Available for Distribution</b>		<b>70,599</b>	<b>103,866</b>
<b>DIP Loans</b>			
Liquidation Proceeds Available		199,527	199,527
		70,599	103,866
<b>Excess (Deficiency) on DIP Loans</b>		<b>(128,928)</b>	<b>(95,660)</b>
<b>Administrative and Priority Claims</b>			
Liquidation Proceeds Available		24,652	24,995
		0	0
<b>Excess (Deficiency) on Administrative and Priority Claims</b>		<b>(24,652)</b>	<b>(24,995)</b>

**GREEKTOWN HOLDINGS, LLC, ET AL.**  
**HYPOTHETICAL LIQUIDATION ANALYSIS**  
**AS OF AUGUST 31, 2009**

**ASSET BY ASSET APPROACH**

Description	Projected 08/31/09	Chapter 7 Liquidation Recovery	
		Low	High
Pre-Petition Secured Debt		346,223	346,223
Liquidation Proceeds Available		<u>0</u>	<u>0</u>
Excess (Deficiency) on Pre-Petition Secured Debt		<u>(346,223)</u>	<u>(346,223)</u>
Estimated Allowed Trade and General Unsecured Claims against Casino		39,406	39,406
Liquidation Proceeds Available		<u>0</u>	<u>0</u>
Excess (Deficiency) on Trade/General Unsecured Claims against Casino		<u>(39,406)</u>	<u>(39,406)</u>
Senior Notes		194,927	194,927
Liquidation Proceeds Available		<u>0</u>	<u>0</u>
Excess (Deficiency) on Senior Notes		<u>(194,927)</u>	<u>(194,927)</u>
Monroe / Kewadin Creditors		76,366	76,366
Liquidation Proceeds Available		<u>0</u>	<u>0</u>
Excess (Deficiency) to Monroe / Kewadin Creditors		<u>(76,366)</u>	<u>(76,366)</u>

GREEKTOWN HOLDINGS, LLC, ET AL.  
HYPOTHETICAL LIQUIDATION ANALYSIS  
AS OF AUGUST 31, 2009

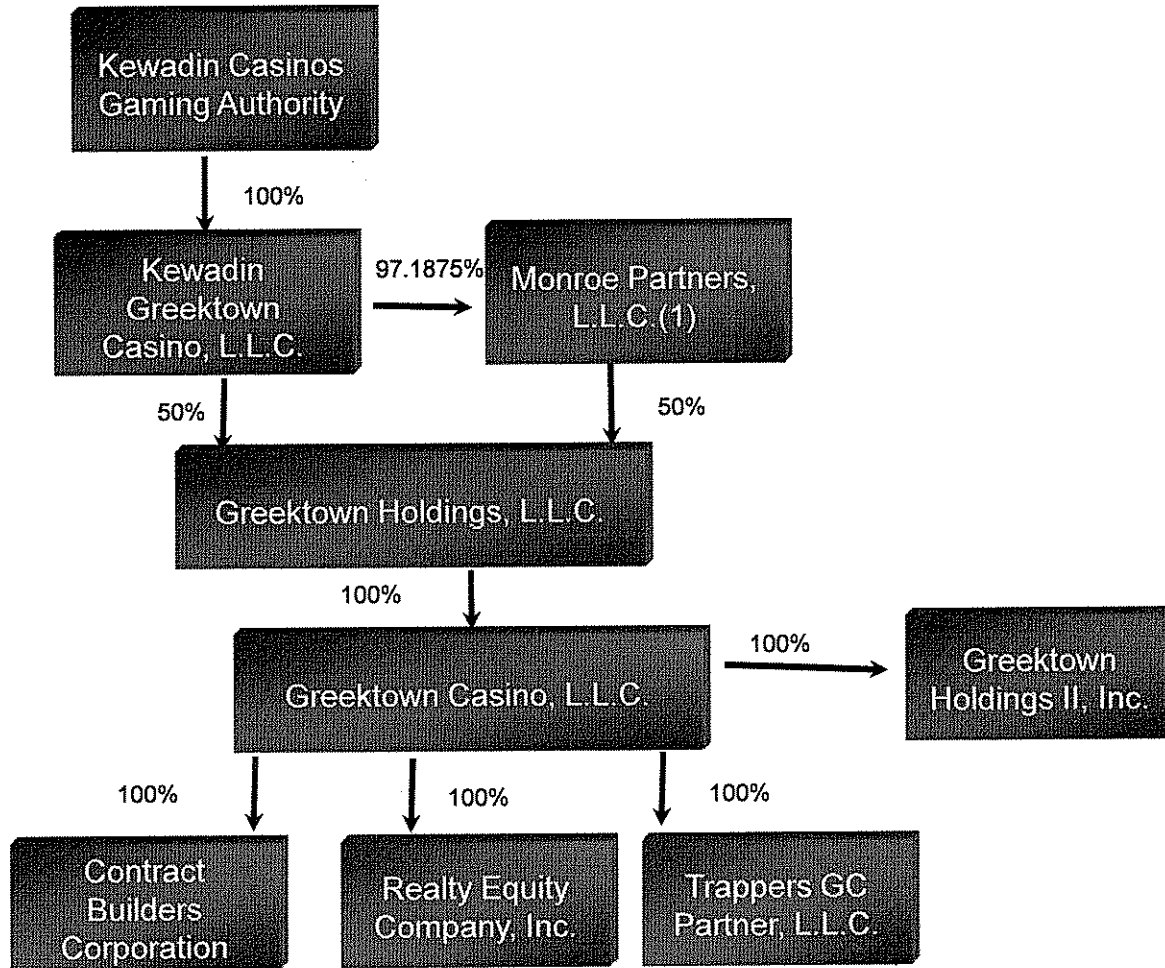
ASSET BY ASSET APPROACH

Description	Amount of Claim		Estimated Recovery		Estimated Recovery %	
	Low	High	Low	High	Low	High
DIP Loans	199,527	199,527	70,599	103,866	35.4%	52.1%
Estimated Administrative and Priority Claims	24,652	24,995	0	0	0.0%	0.0%
Pre-Petition Secured Debt	346,223	346,223	0	0	0.0%	0.0%
Estimated Allowed Trade and General Unsecured Claims against Casino	39,406	39,406	0	0	0.0%	0.0%
Senior Notes	194,927	194,927	0	0	0.0%	0.0%
Monroe / Kewadin Creditors	76,366	76,366	0	0	0.0%	0.0%

**EXHIBIT C**

**Corporate Structure Chart as of the Petition Date**

# Corporate Structure as of the Petition Date



(1)- The remaining 2.8125% ownership in Monroe is held as follows: Marvin Beatty owns .5%; Ted Gatzaros owns 2%; Dr. Anthony F. Harris owns .0625%; and Hills Howard owns .250%.



**EXHIBIT D**

*Pro Forma* Financial Projections



Reorganized Debtors  
**Consolidated Income Statement**  
*Unaudited*  
(\$ in thousands)

	2008 A	2009 P	2010 P	2011 P	2012 P	2013 P
<b>Revenue</b>						
Net Gaming Revenue	297,329	314,245	321,040	327,539	334,168	340,930
Food & Beverage	11,862	17,788	16,578	16,909	17,247	17,592
Hotel	-	11,900	12,435	12,683	12,937	13,196
Other	4,608	5,170	5,273	5,379	5,486	5,596
<b>Total Gross Revenues</b>	<b>313,799</b>	<b>349,102</b>	<b>355,325</b>	<b>362,511</b>	<b>369,839</b>	<b>377,315</b>
Less: Promotional Allowances	(27,070)	(26,647)	(25,444)	(25,548)	(25,653)	(25,760)
<b>Net Revenues</b>	<b>\$ 286,729</b>	<b>\$ 322,456</b>	<b>\$ 329,881</b>	<b>\$ 336,963</b>	<b>\$ 344,186</b>	<b>\$ 351,555</b>
<b>Direct Expenses</b>						
Gaming	162,117	155,368	139,728	142,724	145,473	148,281
Food & Beverage	9,715	15,284	14,241	14,696	15,168	15,656
Hotel	827	12,874	13,959	14,238	14,522	14,813
Other	616	815	845	867	890	913
<b>Total Direct Expenses</b>	<b>173,275</b>	<b>184,340</b>	<b>168,773</b>	<b>172,525</b>	<b>176,053</b>	<b>179,663</b>
<b>Gross Profit Margin</b>	<b>\$ 113,454</b> 39.6%	<b>\$ 138,115</b> 42.8%	<b>\$ 161,108</b> 48.8%	<b>\$ 164,438</b> 48.8%	<b>\$ 168,134</b> 48.8%	<b>\$ 171,891</b> 48.9%
<b>Overhead Expenses</b>						
	63,343	67,240	70,662	71,758	73,180	74,644
<b>EBITDAR Margin</b>	<b>\$ 50,111</b> 17.5%	<b>\$ 70,875</b> 22.0%	<b>\$ 90,446</b> 27.4%	<b>\$ 92,680</b> 27.5%	<b>\$ 94,954</b> 27.6%	<b>\$ 97,247</b> 27.7%
<b>Other Income (Expense)</b>						
Restructuring Fees	(11,667)	(24,290)	-	-	-	-
Other Non-Cash Restructuring Charges	(128,240)	(13,071)	-	-	-	-
Gain (Loss) on Extinguishment of Debt	-	540,368	-	-	-	-
Michigan Business Tax	(4,228)	(1,692)	(3,031)	(3,092)	(3,153)	(3,216)
Depreciation & Amortization of Finance Fees	(17,842)	(18,437)	(18,898)	(20,585)	(22,273)	(23,960)
Net Interest Income / (Expense)	(41,044)	(62,269)	(30,294)	(26,463)	(21,611)	(16,054)
Other	2	29	-	-	-	-
<b>Total Other Income (Expense)</b>	<b>(203,019)</b>	<b>420,637</b>	<b>(52,222)</b>	<b>(50,140)</b>	<b>(47,037)</b>	<b>(43,231)</b>
<b>Earnings Prior to Income Taxes</b>	<b>\$ (152,908)</b>	<b>\$ 491,512</b>	<b>\$ 38,224</b>	<b>\$ 42,539</b>	<b>\$ 47,917</b>	<b>\$ 54,017</b>
<b>Provision for Income Taxes</b>	-	2,160	13,378	14,889	16,771	18,906
<b>Net Income</b>	<b>\$ (152,908)</b>	<b>\$ 489,352</b>	<b>\$ 24,846</b>	<b>\$ 27,650</b>	<b>\$ 31,146</b>	<b>\$ 35,111</b>

**Reorganized Debtors**  
**Consolidated Cash Flow Statement**  
*Unaudited*  
(\$ in thousands)

	<u>2008 A</u>	<u>2009 P</u>	<u>2010 P</u>	<u>2011 P</u>	<u>2012 P</u>	<u>2013 P</u>
<b>Operating Activities:</b>						
Net Income	(152,908)	489,352	24,846	27,650	31,146	35,111
Gain from Cancellation of Liabilities in Connection with Restructuring	-	(540,368)	-	-	-	-
Asset Write Off	128,240	13,071	-	-	-	-
Depreciation and Amortization	17,842	18,437	18,898	20,585	22,273	23,960
Changes in Working Capital Accounts	9,825	(13,364)	(2,946)	-	-	-
Changes in Other Assets & Liabilities	26,617	20,081	-	-	-	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 29,616</b>	<b>\$ (12,791)</b>	<b>\$ 40,798</b>	<b>\$ 48,236</b>	<b>\$ 53,419</b>	<b>\$ 59,071</b>
<b>Investing Activities:</b>						
Construction Project / Capital Expenditures	(169,285)	(45,133)	(11,395)	(13,500)	(13,500)	(13,500)
Other	(18)	(3)	-	-	-	-
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>(169,303)</b>	<b>(45,136)</b>	<b>(11,395)</b>	<b>(13,500)</b>	<b>(13,500)</b>	<b>(13,500)</b>
<b>Financing Activities:</b>						
Net Proceeds from Borrowings	132,369	69,392	-	-	-	-
Proceeds from Member Contributions	12,099	-	-	-	-	-
Payments on Plan Note	-	(3,180)	(24,190)	(34,736)	(39,919)	(45,571)
Payments on Slot Purchase Note	-	(6,017)	(1,513)	-	-	-
<b>Net Cash Provided (Used) by Financing Activities</b>	<b>144,468</b>	<b>60,195</b>	<b>(25,703)</b>	<b>(34,736)</b>	<b>(39,919)</b>	<b>(45,571)</b>
Net Increase (Decrease) in Cash	4,781	2,268	3,700	-	-	-
Cash at Beginning of Period	19,251	24,032	26,300	30,000	30,000	30,000
<b>Cash at End of Period</b>	<b>\$ 24,032</b>	<b>\$ 26,300</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>

**Reorganized Debtors**  
**Consolidated Balance Sheet**  
*Unaudited*  
(\$ in thousands)

	2008 A	2009 P	2010 P	2011 P	2012 P	2013 P
<b>ASSETS:</b>						
Current Assets:						
Cash - Operating Account	10,636	11,300	15,000	15,000	15,000	15,000
Cash - Floor Cash	13,395	15,000	15,000	15,000	15,000	15,000
Certificate of Deposit	522	525	525	525	525	525
Accounts Receivable, Net	4,322	4,967	4,967	4,967	4,967	4,967
Notes Receivable	2,370	2,420	2,420	2,420	2,420	2,420
Inventories	601	576	576	576	576	576
Prepays / Other	18,894	17,586	17,332	17,332	17,332	17,332
<b>Total Current Assets</b>	<b>50,740</b>	<b>52,374</b>	<b>55,820</b>	<b>55,820</b>	<b>55,820</b>	<b>55,820</b>
Non Current Assets:						
Property, Building and Equipment, Net	448,586	486,891	479,388	472,303	463,530	453,069
Other Assets	15,371	1,266	1,266	1,266	1,266	1,266
<b>Total Non Current Assets</b>	<b>463,957</b>	<b>488,158</b>	<b>480,654</b>	<b>473,569</b>	<b>464,796</b>	<b>454,335</b>
<b>TOTAL ASSETS</b>	<b>\$ 514,696</b>	<b>\$ 540,531</b>	<b>\$ 536,474</b>	<b>\$ 529,389</b>	<b>\$ 520,616</b>	<b>\$ 510,155</b>
<b>LIABILITIES AND EQUITY:</b>						
Current Liabilities:						
DIP Loans	130,135	-	-	-	-	-
Accounts Payable	26,503	14,704	11,504	11,504	11,504	11,504
Accrueds / Other	8,366	9,109	9,109	9,109	9,109	9,109
<b>Total Current Liabilities</b>	<b>165,004</b>	<b>23,813</b>	<b>20,613</b>	<b>20,613</b>	<b>20,613</b>	<b>20,613</b>
Non Current Liabilities:						
Plan Note	-	246,820	222,630	187,894	147,975	102,403
Other Liabilities	11,269	5,476	3,963	3,963	3,963	3,963
Liabilities Subject to Compromise	563,400	-	-	-	-	-
<b>Total Non Current Liabilities</b>	<b>574,669</b>	<b>252,296</b>	<b>226,593</b>	<b>191,857</b>	<b>151,938</b>	<b>106,367</b>
<b>TOTAL LIABILITIES</b>	<b>739,673</b>	<b>276,109</b>	<b>247,206</b>	<b>212,470</b>	<b>172,551</b>	<b>126,980</b>
<b>EQUITY (DEFICIT)</b>	<b>(224,977)</b>	<b>264,422</b>	<b>289,268</b>	<b>316,918</b>	<b>348,064</b>	<b>383,175</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 514,696</b>	<b>\$ 540,531</b>	<b>\$ 536,474</b>	<b>\$ 529,389</b>	<b>\$ 520,616</b>	<b>\$ 510,155</b>

**Reorganized Debtors**  
**Pro Forma Balance Sheet**  
*Unaudited*  
(\$ in thousands)

	<u>Projected</u> <u>8/31/2009</u>	<u>Recap. Adj.</u>	<u>Fresh Start Adj.</u>	<u>Projected</u> <u>8/31/2009</u>
<b><u>ASSETS:</u></b>				
Current Assets:				
Cash - Operating Account	23,079	(8,985)	(a)	14,094
Cash - Floor Cash	15,000			15,000
Certificate of Deposit	525			525
Accounts Receivable, Net	4,967			4,967
Notes Receivable	2,420			2,420
Inventories	576			576
Prepays / Other	13,654			13,654
<b>Total Current Assets</b>	<b>60,221</b>			<b>51,235</b>
Non Current Assets:				
Property, Building and Equipment, Net	489,994		(2,496)	(b)
Other Assets	11,839	(10,573)	(c)	1,266
<b>Total Non Current Assets</b>	<b>501,833</b>			<b>488,764</b>
<b>TOTAL ASSETS</b>	<b>\$ 562,054</b>			<b>\$ 540,000</b>
<b><u>LIABILITIES AND EQUITY:</u></b>				
Current Liabilities:				
DIP Loans	199,527	(199,527)	(d)	-
Accounts Payable	17,713	(3,008)	(e)	14,704
Accrueds / Other	9,109			9,109
<b>Total Current Liabilities</b>	<b>226,348</b>			<b>23,813</b>
Non Current Liabilities:				
Plan Note	-	250,000	(f)	250,000
Other Liabilities	5,776			5,776
Liabilities Subject to Compromise	590,842	(590,842)	(g)	-
<b>Total Non Current Liabilities</b>	<b>596,617</b>			<b>255,776</b>
<b>TOTAL LIABILITIES</b>	<b>822,965</b>			<b>279,589</b>
<b>EQUITY (DEFICIT)</b>	<b>(260,911)</b>	523,818	(h)	(2,496)
			(b)	<b>260,411</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 562,054</b>			<b>\$ 540,000</b>

## Financial Projections

The Financial Projections<sup>1</sup> consist of a statement of operations (the "Income Statement"), a statement of financial position (the "Balance Sheet"), and a cash-flow statement (the "Cash Flow Statement") for the time period from January 1, 2008 through December 31, 2013. The Financial Projections are based on the consolidated actual and projected results for the operations of the Debtors and Reorganized Debtors. The Financial Projections are based primarily on the Debtors' June 2009 business plan. Additionally, a projected balance sheet (the "Pro Forma Balance Sheet") has been provided as of August 31, 2009 with *pro forma* adjustments to account for (i) the currently anticipated reorganization and related transactions under the Plan and (ii) the implementation of "fresh start" accounting pursuant to Statement of Position 90-7 ("SOP 90-7"), Financial Reporting by Entities in Reorganization Under the Bankruptcy Code, as issued by the American Institute of Certified Public Accountants (the "AICPA"). The Financial Projections may not be in accordance with generally accepted accounting principles.

THE DEBTORS' MANAGEMENT PREPARED THE FINANCIAL PROJECTIONS WITH THE ASSISTANCE OF THEIR PROFESSIONALS. THE DEBTORS' MANAGEMENT DID NOT PREPARE SUCH FINANCIAL PROJECTIONS TO COMPLY WITH THE GUIDELINES FOR PROSPECTIVE FINANCIAL STATEMENTS PUBLISHED BY THE AICPA OR THE RULES AND REGULATIONS OF THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION. THE DEBTORS' INDEPENDENT ACCOUNTANTS HAVE NEITHER COMPILED NOR EXAMINED THE FINANCIAL PROJECTIONS THAT ACCOMPANY THE DISCLOSURE STATEMENT AND, ACCORDINGLY, DO NOT EXPRESS AN OPINION OR ANY OTHER FORM OF ASSURANCE WITH RESPECT TO THE FINANCIAL PROJECTIONS, ASSUME NO RESPONSIBILITY FOR THE FINANCIAL PROJECTIONS, AND DISCLAIM ANY ASSOCIATION WITH THE FINANCIAL PROJECTIONS. EXCEPT FOR PURPOSES OF THE DISCLOSURE STATEMENT, THE DEBTORS DO NOT PUBLISH FINANCIAL PROJECTIONS OF THEIR ANTICIPATED FINANCIAL POSITION OR RESULTS OF OPERATIONS AND THE FINANCIAL PROJECTIONS ARE LIMITED FOR SUCH PURPOSE. THE FINANCIAL PROJECTIONS ARE QUALIFIED IN THEIR ENTIRETY BY THE DESCRIPTION THEREOF CONTAINED IN THE DISCLOSURE STATEMENT.

MOREOVER, THE FINANCIAL PROJECTIONS CONTAIN CERTAIN STATEMENTS THAT ARE "FORWARD-LOOKING STATEMENTS" WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. THESE STATEMENTS ARE SUBJECT TO A NUMBER OF ASSUMPTIONS, RISKS, AND UNCERTAINTIES, MANY OF WHICH ARE BEYOND THE CONTROL OF THE DEBTORS, INCLUDING THE CONSUMMATION AND IMPLEMENTATION OF THE PLAN, THE CONTINUING AVAILABILITY OF SUFFICIENT BORROWING CAPACITY OR OTHER FINANCING TO FUND OPERATIONS, ACHIEVING OPERATING EFFICIENCIES, MAINTENANCE OF GOOD EMPLOYEE RELATIONS, EXISTING AND FUTURE GOVERNMENTAL REGULATIONS AND ACTIONS OF GOVERNMENTAL

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<sup>1</sup> Capitalized terms used and not otherwise defined in this Exhibit D shall have the meanings set forth in the Disclosure Statement

BODIES, NATURAL DISASTERS AND UNUSUAL WEATHER CONDITIONS, ACTS OF TERRORISM OR WAR, INDUSTRY-SPECIFIC RISK FACTORS (AS DETAILED IN ARTICLE VI OF THE DISCLOSURE STATEMENT ENTITLED "CERTAIN FACTORS TO BE CONSIDERED BEFORE VOTING"), AND OTHER MARKET AND COMPETITIVE CONDITIONS. HOLDERS OF CLAIMS AND INTERESTS ARE CAUTIONED THAT THE FORWARD-LOOKING STATEMENTS SPEAK AS OF THE DATE MADE AND ARE NOT GUARANTEES OF FUTURE PERFORMANCE. ACTUAL RESULTS OR DEVELOPMENTS MAY DIFFER MATERIALLY FROM THE EXPECTATIONS EXPRESSED OR IMPLIED IN THE FORWARD-LOOKING STATEMENTS, AND THE DEBTORS AND THE REORGANIZED DEBTORS, AS APPLICABLE, UNDERTAKE NO OBLIGATION TO UPDATE ANY SUCH STATEMENTS.

THE FINANCIAL PROJECTIONS, WHILE PRESENTED WITH NUMERICAL SPECIFICITY, ARE NECESSARILY BASED ON A VARIETY OF ESTIMATES AND ASSUMPTIONS WHICH, THOUGH CONSIDERED REASONABLE BY THE DEBTORS, MAY NOT BE REALIZED AND ARE INHERENTLY SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC, COMPETITIVE, INDUSTRY, REGULATORY, MARKET, AND FINANCIAL UNCERTAINTIES AND CONTINGENCIES, MANY OF WHICH ARE BEYOND THE CONTROL OF THE DEBTORS, AND THE REORGANIZED DEBTORS, AS APPLICABLE. THE DEBTORS CAUTION THAT NO REPRESENTATIONS CAN BE MADE OR ARE MADE AS TO THE ACCURACY OF THE FINANCIAL PROJECTIONS OR TO THE DEBTORS' AND THE REORGANIZED DEBTORS', AS APPLICABLE, ABILITY TO ACHIEVE THE PROJECTED RESULTS. SOME ASSUMPTIONS INEVITABLY WILL BE INCORRECT. MOREOVER, EVENTS AND CIRCUMSTANCES OCCURRING SUBSEQUENT TO THE DATE ON WHICH THE DEBTORS PREPARED THE FINANCIAL PROJECTIONS MAY BE DIFFERENT FROM THOSE ASSUMED, OR, ALTERNATIVELY, MAY HAVE BEEN UNANTICIPATED, AND THUS THE OCCURRENCE OF THESE EVENTS MAY AFFECT FINANCIAL RESULTS IN A MATERIALLY ADVERSE OR MATERIALLY BENEFICIAL MANNER. THE DEBTORS AND THE REORGANIZED DEBTORS, AS APPLICABLE, DO NOT INTEND AND UNDERTAKE NO OBLIGATION TO UPDATE OR OTHERWISE REVISE THE FINANCIAL PROJECTIONS TO REFLECT EVENTS OR CIRCUMSTANCES EXISTING OR ARISING AFTER THE DATE ON WHICH THE DISCLOSURE STATEMENT IS INITIALLY FILED OR TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS. THEREFORE, THE FINANCIAL PROJECTIONS MAY NOT BE RELIED UPON, NOR SHOULD THEY BE TREATED AS, A GUARANTY OR OTHER ASSURANCE OF THE ACTUAL RESULTS THAT WILL OCCUR. IN DECIDING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN, HOLDERS OF CLAIMS MUST MAKE THEIR OWN INDEPENDENT DETERMINATIONS AS TO THE ADEQUACY AND REASONABLENESS OF SUCH ASSUMPTIONS AND THE RELIABILITY OF THE FINANCIAL PROJECTIONS AND SHOULD CONSULT WITH THEIR OWN ADVISORS ON ALL MATTERS.

## **I. Income Statement and Cash Flow Statement**

### ***A. Approach***

The Income Statement consolidates the financial performance of all of the Debtors' business units using an approach designed by the Debtors' management and professionals to forecast operating results. The Income Statement accounts for historical run rates, market conditions, competitive pressures, and anticipated changes in the Debtors' business model, such as gaming-floor composition and hotel, food, and beverage pricing strategies.

The Financial Projections were prepared on-site at the Debtors' Detroit gaming property with the Debtors' management and its professionals on a "bottom-up" basis, with each business unit manager of the Debtor providing a detailed forecast and capital request listing. Individual business unit projections were then aggregated and reviewed by senior management and the Debtors' professionals to prepare the consolidated Financial Projections.

Revenues were categorized into one of four categories: (1) Casino Operations (Gaming), (2) Hotel, (3) Food & Beverage, and (4) Other. Expenses were categorized similarly with the addition of Overhead, Restructuring, and Other Income (Expenses). Each business unit's forecast was prepared by analyzing historical run rates, anticipated changes in the business model and key revenue drivers and the associated cost requirements.

### ***B. Operational Drivers***

Total gross revenues represent gross revenues derived from casino, hotel, food and beverage, and other operations. Net revenues represent total gross-operating revenues less promotional allowances, which include the retail value of accommodations, food and beverage, and other services provided to casino patrons without charge, and cash back awards, such as cash coupons, rebates, cash complimentary, and refunds.

Casino revenue is derived primarily from patrons wagering at table games and slot machines. Table games include blackjack, craps, roulette, poker, and other specialty games. Casino operating revenue is recognized as earned at the time the relevant services are provided.

Hotel revenue is derived from hotel rooms and suites rented to guests, room service, banquet facilities, and other services offered by the hotel. Hotel room revenue and other hotel service revenue is recognized at the time the hotel rooms are provided to guests.

Food and beverage revenues are derived from food and beverage sales in the food outlets of the casino property, including restaurants, bars, and snack stations. Food and beverage revenue is recognized at the time the relevant services are provided.

Other revenue is obtained from ancillary casino and hotel operations such as parking garages, ATMs, leasing agreements, merchandise sales, and certain other activities conducted at the casino and hotel property.

### **C. Direct Expenses and Overhead Costs**

Direct expenses represent the direct costs associated with, among other things operating the property's casino, hotel, and food and beverage stations, along with the cost of the external complimentarys issued to gaming patrons. These direct operating costs primarily relate to payroll, supplies, gaming taxes and in the case of food and beverage operations and external complimentarys, the cost of goods sold. Overhead expenses typically consist of utility costs, marketing, facilities maintenance, administrative expenses, parking, and other related expenses.

Among the costs described above, the gaming tax expense, which is included in the "Gaming" line item within the Income Statement, accounts for the greatest proportion of operating expenses. Expenses associated with gaming taxes reflect amounts payable to authorities in connection with gaming operations and were computed in accordance with governing documents. Lastly, the Financial Projections contemplate that a 5% gaming-tax rollback will be effective commencing January 1, 2010, but it is important to note that the Debtors currently believe they have been entitled to the 5% gaming-tax rollback since February 15, 2009.

### **D. Restructuring Charges**

Management and its professionals estimate that the Debtors will incur approximately \$24.3 million of restructuring fees in 2009. These expenses are primarily Professional fees relating to the Chapter 11 case, but also include certain compensation of the property's gaming consultants (The Fine Point Group). Professional fees were projected by examining the run-rates for Professionals billing at hourly rates, fixed rates, and certain success fees paid to consultants for reaching certain financial and transactional milestones.

Non-cash restructuring charges of approximately \$13 million during 2009 relate to the write-off, based upon an assumed Confirmation Date<sup>2</sup> of August 31, 2009, of deferred financing fees pertaining to the Debtors' pre-petition financing arrangements as well as certain adjustments to fixed assets to reflect "fresh start accounting" provisions.

The estimated gain on extinguishment of debt of \$540 million is based on an estimated \$591 million of liabilities subject to compromise as of August 31, 2009, netted against \$51 million of roll-over liabilities into the Plan Note.

### **E. Interest Expense**

Interest expense for 2009 includes anticipated payments to lenders on account of the DIP Facility through the first eight months of the year and the estimated interest expense on the Plan Note and Additional Plan Note, which together total \$250 million, for the remaining four months of the year.

Interest expense on the Plan Note and Additional Plan Note approximates 13%.

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<sup>2</sup> The Effective Date will occur at a point in time subsequent to the Confirmation Date.



### ***F. Income Taxes***

Michigan Business Taxes were calculated based on an estimate of .09% of Gross Gaming Revenues. For purposes of forecasting provisions for taxes pertaining to the effectuation of the contemplated Plan, taxing-authority-related transaction fees resulting from the Plan are assumed to be zero. However, a final assessment of any potential taxing-authority-related liability may vary based on the structure of the Plan and events occurring after the Effective Date.

An assumed payment of 35% of Earnings Prior to Income Taxes is contemplated in the Financial Projections from September 2009 through December 2013 to account for federal income tax consequences.

### ***G. Operating Activities***

Cash flow from operating activities captures cash flows generated from the Debtors' daily operations and includes the net impact of revenues less operating expenses, interest expense, and working-capital changes.

### ***H. Capital Expenditures***

Capital expenditures projected in the Plan are primarily maintenance related. These expenditures are designed to restore the property to desired standards. Such expenses include costs for revamping slot composition, upgrading the surveillance and information systems, and facility repairs.

### ***I. Financing Activities***

Net proceeds from borrowings reflected in the Cash Flow Statement represent borrowings on the Debtors' credit facility to secure payment for construction projects and ordinary-course working capital.

The Financial Projections assume operating cash in excess of \$15 million is used to pay down the outstanding principal balance of the Plan Note and Additional Plan Note.

## **II. Balance Sheet and Pro Forma Balance Sheet**

The Pro Forma Balance Sheet contains certain adjustments as a result of Consummation of the Plan. Liabilities Subject to Compromise will be extinguished and receive treatment based on the Plan. Certain liabilities subject to compromise will be converted to equity as a result of the Reorganized Debtors' issuance of Reorganized Debtors' equity to satisfy Allowed Claims under the Plan.

The Debtors have included various line-item adjustments to the Balance Sheet to reflect assumed equity value as of the Effective Date based on the midpoint in Total Enterprise Value of \$540 million as indicated in Exhibit E of the Disclosure Statement. The effect of "fresh start" accounting, when implemented, may result in further adjustments to assets and liabilities to reflect the appropriate equity value. The proposed fresh-start accounting and reorganization

effects have been prepared for illustrative purposes only. These adjustments may not reflect the final generally accepted accounting principles when applied.

The Pro Forma Balance Sheet reflects the Reorganized Debtors' *pro forma* projected consolidated Balance Sheet using an anticipated Confirmation Date of August 31, 2009, based upon a Total Enterprise Value of \$540 million, which is the midpoint of the range of Total Enterprise Values of the Reorganized Debtors, as set forth in Exhibit E of the Disclosure Statement. The Pro Forma Balance Sheet was developed based upon the Debtors' unaudited May 31, 2008 Balance Sheet, as adjusted for the projected income and cash flow from June through August 2009 operations. Adjustments were made to the projected August 31, 2009 Balance Sheet for illustrative purposes only in order to demonstrate the effect of the Plan on a Pro Forma Balance Sheet.

On the Effective Date, the Reorganized Debtors will use available cash-on-hand and/or the proceeds of an Exit Financing agreement to satisfy all Allowed Administrative Claims not otherwise paid in the ordinary course of business, Allowed Priority Tax Claims, Allowed Other Priority Claims, Allowed Professional Claims, and any other Allowed Claims, not otherwise mentioned below. The Secured Claims of the DIP Lenders shall receive a Pro Rata share of the Plan Note in full satisfaction of such Claims. The Secured Claims of the Pre-petition Lenders shall receive a Pro Rata share of the equity of Reorganized Holdings and the Additional Plan Note, in full satisfaction of such Claims. The Trade Claims Against Casino will receive a Pro Rata share of the Trade Distribution Fund (\$3 million), paid in two equal installments six and twelve months after the Effective Date; and the General Unsecured Claims Against Casino will receive a Pro Rata share of the Unsecured Distribution Fund (\$200 thousand), paid in two equal installments six and twelve months after the Effective Date.

**Notes to Pro Forma Projected Balance Sheet:**

**A. Cash**

The \$9.0 million decrease in Cash on the Pro Forma Balance Sheet reflects the Debtors' current estimate of the proceeds that will be used to fund the previously specified Claims on the Effective Date. The Debtors believe the remaining \$14 million of Cash on hand as of the Effective Date will be required to operate the business in the ordinary course as projected in the Debtors' business plan. Actual Cash on the Effective Date may vary from Cash reflected in the Pro Forma Balance Sheet because of variances in the Financial Projections and potential changes in the Debtors' need for Cash to Consummate the Plan.

**B. Property, Building, and Equipment**

The \$2.5 million impairment adjustment to Property, Building, and Equipment on the Pro Forma Balance Sheet is due to the surplus of tangible book value over the fair market value of the assets implied by the midpoint Total Enterprise Value of \$540 million.

**C. Other Assets**

The \$10.5 million impairment adjustment to Other Assets on the Pro Forma Balance Sheet is due to the write-off of unamortized deferred financing fees associated with the Pre-Petition Credit Facility.

**D. DIP Loans**

This adjustment represents the roll-over of the DIP Loans into the Plan Note on the Effective Date.

**E. Accounts Payable (post-petition)**

The \$3.0 million adjustment represents the funding of estimated unpaid Allowed Professional Claims and Allowed Other Priority Claims as of the Effective Date, that are projected to be included in the Accounts Payable balance as of August 31, 2009.

**F. Plan Note**

The \$250 million adjustment represents the DIP Loan roll-over into the Plan Note, as well as the conversion of certain Secured Claims of Pre-petition Lenders into the Additional Plan Note. The underlying assumption is that the combined Plan Note and Additional Plan Note will together approximate \$250 million.

**G. Liabilities Subject to Compromise**

This amount reflects the elimination of pre-petition Claims including (i) the senior unsecured notes due 2013 (the "Notes"), (ii) the Secured Claims of Pre-petition Lenders, (iii) pre-petition accounts payable, (iv) pre-petition accrued liabilities, and (v) other General Unsecured Claims.

## *H. Equity*

Adjustments to shareholders' equity were based on the estimated equity value of the Reorganized Debtors (\$260 million) in accordance with "fresh start" accounting provisions of SOP 90-7.

**EXHIBIT E**

**Reorganization Valuation Analysis**

## **Greektown – Valuation Analysis for Disclosure Statement**

The Valuation Analysis is based upon certain data and information that was available to Moelis from public sources or that was provided to Moelis by the Debtors or their representatives as of June 30, 2009. Neither Moelis nor the Debtors make representations as to changes to such data and information as may have occurred since that date.

In preparing the Valuation Analysis, Moelis, among other things: (i) conducted discussions with the Debtors' management and its professionals with respect to the Debtors' business operations; (ii) reviewed various documents and pleadings in the Chapter 11 cases; (iii) reviewed the operations and historical financial performance of the Debtors; (iv) reviewed financial forecasts prepared by the Debtors; (v) analyzed current market conditions and general trends in the Detroit gaming market and the gaming industry in general; (vi) analyzed the performance, financial information and market position of the Debtors relative to certain competitors and similar publicly traded companies; (vii) reviewed various research reports on the gaming industry; (viii) analyzed precedent transactions in the gaming industry to determine the prices that were paid for assets or companies similar to the Debtors' assets or company; and (ix) reviewed such other information and performed such other analyses as Moelis deemed appropriate.

Moelis assumed, without independent verification, the accuracy and completeness of all the financial and other information available to it from public sources or as provided to Moelis by the Debtors or their representatives. Moelis did not make any independent evaluation or appraisal of the Debtors' assets, nor did Moelis independently verify any of the information it reviewed. Moelis has assumed that the Financial Projections are true and that the Debtors or their representatives reasonably prepared them on bases reflecting the best estimates and good faith judgment of the Debtors' management as to the future operating and financial performance as of the date of their preparation, and that the Debtors have informed Moelis of all known circumstances occurring since such date that could make the Financial Projections incomplete or misleading. Moelis conducted the Valuation Analysis with the explicit understanding that it is based on standards of assessment, including economic, political, legal, and other conditions, in existence as of the date of the Valuation Analysis that are beyond Moelis's or the Debtors' control. Such standards of assessment may change in the future, and such changes could have a material impact on the valuation of the Debtors set forth in this Disclosure Statement. To the extent the Valuation Analysis is dependent upon the Debtors' achievement of the Financial Projections, and the assumption that the general economic, financial, and market conditions as of the Effective Date will not differ materially from those prevailing as of June 30, 2009, the Valuation Analysis must be considered speculative. Moelis disclaims any responsibility for any impact any such change may have on the assessment of the valuation of the Debtors set forth in the Plan.

The Financial Projections used in the Valuation Analysis also assume that the general economic, financial, and market conditions as of the Effective Date will not differ materially from those conditions prevailing as of June 30, 2009. Although subsequent

developments may affect Moelis's conclusions, Moelis does not have any obligation to update, revise, or reaffirm its analysis following the confirmation hearing

## 1. Valuation Methodology

Moelis performed a variety of analyses and considered a variety of factors in preparing its estimated range of the reorganized Debtors enterprise value. Moelis primarily relied on three principal methodologies to estimate the value of the reorganized Debtors, based on the financial projections described under the Financial Projections which were prepared by the Debtors' management: (i) a calculation of the present value of projected free cash flows and a terminal value, using a range of discount rates based upon a calculated weighted average cost of capital ("WACC") (the "Discounted Cash Flow Analysis"); (ii) a comparison of the financial data of the reorganized Debtors with comparable publicly traded gaming companies (the "Comparable Company Analysis"); and (iii) an analysis of comparable valuations indicated by precedent mergers and acquisitions transactions in the gaming industry (the "Precedent Transactions Analysis").

### A. Discounted Cash Flow Analysis

The Discounted Cash Flow Analysis ("DCF") valuation methodology relates the value of an asset or business to the present value of expected future cash flows to be generated by that asset or business. The DCF methodology is a "forward looking" approach that discounts expected future cash flows by an estimated WACC. The expected future cash flows have two components: the present value of the projected unlevered free cash flows for a determined period and the present value of the terminal value of cash flows (representing firm value beyond the time horizon of the projections). Based on the comparable statistics of the Debtors' peer group, Moelis calculated a WACC range of approximately 11.5% to 12.5%. Moelis calculated the present value of all cash flows after 2013 using terminal values. To do this, Moelis applied exit multiples ranging from 5.25x to 6.25x to the reorganized Debtors' 2013 estimated EBITDA to obtain a range of terminal values. Moelis then discounted these terminal values to present value employing the WACC. Ultimately, this approach yielded a range of estimated values for the reorganized Debtors of \$485 million to \$560 million.

### B. Comparable Company Analysis

The Comparable Company Analysis involves identifying a group of publicly traded companies whose businesses are similar to those of the Reorganized Debtors and then calculating ratios of enterprise value to EBITDA of these companies based upon the value of such companies' securities. Criteria for selecting comparable companies include, among other relevant characteristics, similar lines of business, business risks, growth prospects, business maturity, market presence, and size and scale of operations. The selection of truly comparable companies is difficult and subjective. For the reorganized Debtors' this is further complicated by the limited number of publicly traded single asset gaming companies, resulting in a reliance of multiple asset, domestic gaming companies. However, the underlying concept is to develop a premise for relative value,

which, when coupled with other approaches, presents a foundation for determining firm value. Based upon this approach, Moelis determined a range of estimated values for the reorganized Debtors of \$520 million to \$610 million.

### C. Precedent Transactions Analysis

The Precedent Transactions Analysis estimates value by examining public merger and acquisition transactions. The valuations paid in such acquisitions or implied in such mergers were analyzed as ratios of various financial results. These transaction multiples are calculated based on the purchase price (including any debt assumed) paid to acquire companies that are comparable to the Debtors. Since the Precedent Transaction Analysis reflects aspects of value other than the intrinsic value of a company, coupled with the fact that these transactions occurred in a different operating environment and under drastically different financial and credit market conditions, Moelis placed limited reliance on the Precedent Transactions Analysis

Solely for the purposes of the Plan, the analysis performed by Moelis indicates that the estimated reorganization value of the reorganized Debtors is within the hypothetical range of \$500 million to \$580 million with a mid-point estimate of \$540 million

The estimates of value contained in this Disclosure Statement are not intended to be, and should not be interpreted to be, predictions or guarantees of the future value or price of any debt or equity instrument to be issued pursuant to the Plan. The value of any securities issued under the Plan is subject to many unforeseeable circumstances and, therefore, cannot be accurately predicted.

The Valuation Analysis is based upon data and information as of June 30, 2009. Neither Moelis nor the Debtors make representations as to changes to such data and information that may have occurred since that date.

Moelis's estimates of value of the reorganized Debtors do not purport to be appraisals, nor do they necessarily reflect the values that might be realized if the Debtors sold their assets. These estimates assume that the reorganized Debtors will continue as the owners and operators of their businesses and assets and that such businesses and assets are operated in accordance with the reorganized Debtors' business plan. Moelis developed such estimates solely for purposes of the Plan.

Moelis's estimates are not entirely mathematical, but rather involve complex considerations and subjective judgments concerning various factors that could affect the value of an operating business. Moreover, the value of an operating business is subject to uncertainties and contingencies that are difficult to predict and will fluctuate with changes in factors affecting the financial conditions and prospects of such a business. As a result, Moelis's estimates are not intended to be, nor should they be interpreted to be, indicative of actual outcomes, which may be significantly more or less favorable than those set forth in the Plan. Because such estimates are inherently subject to uncertainties, the Debtors, Moelis, and any other party do not assume responsibility for the accuracy of



such estimates. Depending on the results of the Debtors' operations or changes in the economy or the financial markets in general, Moelis's estimates performed as of the Effective Date may differ materially.

In addition, the value of the newly issued securities is subject to additional uncertainties and contingencies, all of which are difficult to predict. Actual market prices of such securities at issuance will depend upon, among other things, prevailing interest rates, conditions in the financial markets, the anticipated initial securities held by creditors, some of which may prefer to liquidate rather than hold on a long term basis, and other factors that generally influence the price of securities. Other factors, many of which are not possible to predict, may also affect actual market prices of such securities. Accordingly, the implied value estimated by Moelis does not necessarily reflect, and should not be construed as reflecting, values that will be attained in the public or private markets.

These estimated ranges of values represent hypothetical ranges that reflect the estimated intrinsic value of the Debtors derived through the application of various valuation methodologies. The value ascribed in Moelis's estimates does not purport to be an estimate of post-reorganization market trading value, and such trading value may be materially different from the reorganization value ranges associated with Moelis's estimates. There can be no assurance that a trading market will develop for the new securities issued pursuant to the Plan, and Moelis does not provide such assurance. Moelis's estimates are based on economic, market, financial, and other conditions as they exist on, and on the information made available as of, the date of the Valuation Analysis. It should be understood that, although subsequent developments may affect Moelis's conclusions, Moelis does not have any obligation to update, revise, or reaffirm its analysis, and it does not intend to do so.

The summary set forth above does not purport to be a complete description of the Valuation Analysis performed by Moelis. The preparation of an estimate involves various determinations as to the most appropriate and relevant methods of financial analysis and the application of these methods in the particular circumstances and, therefore, such an estimate is not readily susceptible to summary description.

IN LIGHT OF THE FOREGOING, THE VALUATION ANALYSIS OF THE REORGANIZED DEBTORS' PREPARED BY MOELIS REPRESENTS THE HYPOTHETICAL RANGE OF VALUES AND IS BASED ON THE ASSUMPTIONS CONTAINED HEREIN. THE ANALYSIS WAS DEVELOPED SOLELY FOR PURPOSES OF THE PLAN OF REORGANIZATION AND THE DETERMINATION OF IMPLIED RELATIVE RECOVERIES TO CREDITORS THEREUNDER. SUCH ESTIMATES REFLECT COMPUTATIONS OF THE HYPOTHETICAL RANGE OF VALUES OF THE REORGANIZED DEBTORS THROUGH THE APPLICATION OF VARIOUS GENERALLY ACCEPTED VALUATION TECHNIQUES AND DO NOT PURPORT TO REFLECT OR CONSTITUTE APPRAISALS, LIQUIDATION VALUES, OR ESTIMATES OF THE ACTUAL MARKET VALUE THAT MAY BE REALIZED THROUGH THE SALE OF ANY SECURITIES TO BE ISSUED PURSUANT TO THE PLAN, WHICH MAY BE SIGNIFICANTLY DIFFERENT THAN THE AMOUNTS SET FORTH HEREIN.

THE VALUE OF AN OPERATING BUSINESS IS SUBJECT TO NUMEROUS UNCERTAINTIES AND CONTINGENCIES WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT, AND WILL FLUCTUATE WITH CHANGES IN FACTORS AFFECTING THE FINANCIAL CONDITION AND PROSPECTS OF SUCH A BUSINESS. AS A RESULT, THE ESTIMATE OF THE RANGE OF VALUES OF THE REORGANIZED DEBTORS SET FORTH HEREIN IS NOT INDICATIVE OF ACTUAL OUTCOMES, WHICH MAY BE SIGNIFICANTLY MORE OR LESS FAVORABLE THAN THOSE SET FORTH HEREIN. BECAUSE SUCH ESTIMATES ARE INHERENTLY SUBJECT TO UNCERTAINTIES, NEITHER THE DEBTORS, MOELIS, NOR ANY OTHER PERSON ASSUMES RESPONSIBILITY FOR THEIR ACCURACY. IN ADDITION, THE VALUATION OF NEWLY ISSUED SECURITIES IS SUBJECT TO ADDITIONAL UNCERTAINTIES AND CONTINGENCIES, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT.

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## Greektown Holdings, LLC

MOELIS & COMPANY

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### Disclosure Statement Valuation

July 2, 2009

## Disclaimer

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## Disclosure Statement Valuation Analysis

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MOELIS &amp; COMPANY

### Introduction

- For the purposes of this valuation analysis, Moelis has relied on Greektown's revised business plan as provided by the Company in late June 2009
- In conducting its analysis, Moelis has, among other things:
  - Reviewed Greektown's historical performance
  - Discussed the recently completed property expansion and its impact on future operating performance with management
  - Conducted due diligence of the original and revised business plan with management and other financial advisors
  - Considered such other factors and information as Moelis deemed appropriate
- Moelis has neither independently verified or opined on Greektown's underlying business or strategic decisions

## Review of Selected Valuation Methodologies

MOELIS &amp; COMPANY

### Overview of selected methodologies

- Moelis' analysis is based on using three standard investment banking valuation methodologies
  - **Comparable Company Analysis**
    - Identify public companies that generally have similar operating, industry and financial characteristics to Greektown
    - Calculate Greektown's implied total enterprise value based upon current trading multiples considering Greektown's market, operational and financial statistics
  - **Discounted Cash Flow Analysis**
    - Review free cash flow projections for Greektown based on management projections
    - Calculate Greektown's valuation based upon estimated present value of both its unlevered after-tax free cash flows and terminal value
  - **Precedent Transaction Analysis**
    - Identify and analyze relevant precedent transactions involving similar businesses and operations
    - Calculate Greektown's implied total enterprise value based upon precedent transaction multiples considering Greektown's market, operational and financial statistics
- Due to the following factors, Moelis weighted the Comparable Company Analysis 30%, Discount Cash Flow Analysis 60%, and Precedent Transaction Analysis 10%
  - Discounted Cash Flow Analysis was most heavily weighted as it provides an indication of intrinsic value while minimizing many of the shortcoming of the other methodologies (primarily because of the lack of pure comparables)
  - Comparable Company Analysis was weighted 30% due to various differences between Greektown and the selected comparables, yet weighted heavier than the Precedent Transaction Analysis
    - Comparable Company Analysis weighted higher because it provides a better indication of the current environment
    - The disjointed M&A transaction market along with Greektown's operating conditions and the lack of recent transaction comparables limit the relative value of the Precedent Transaction multiples

Note: Considering any portion of these methodologies, without considering all analyses and factors, would create a misleading or incomplete view of the conclusions expressed herein

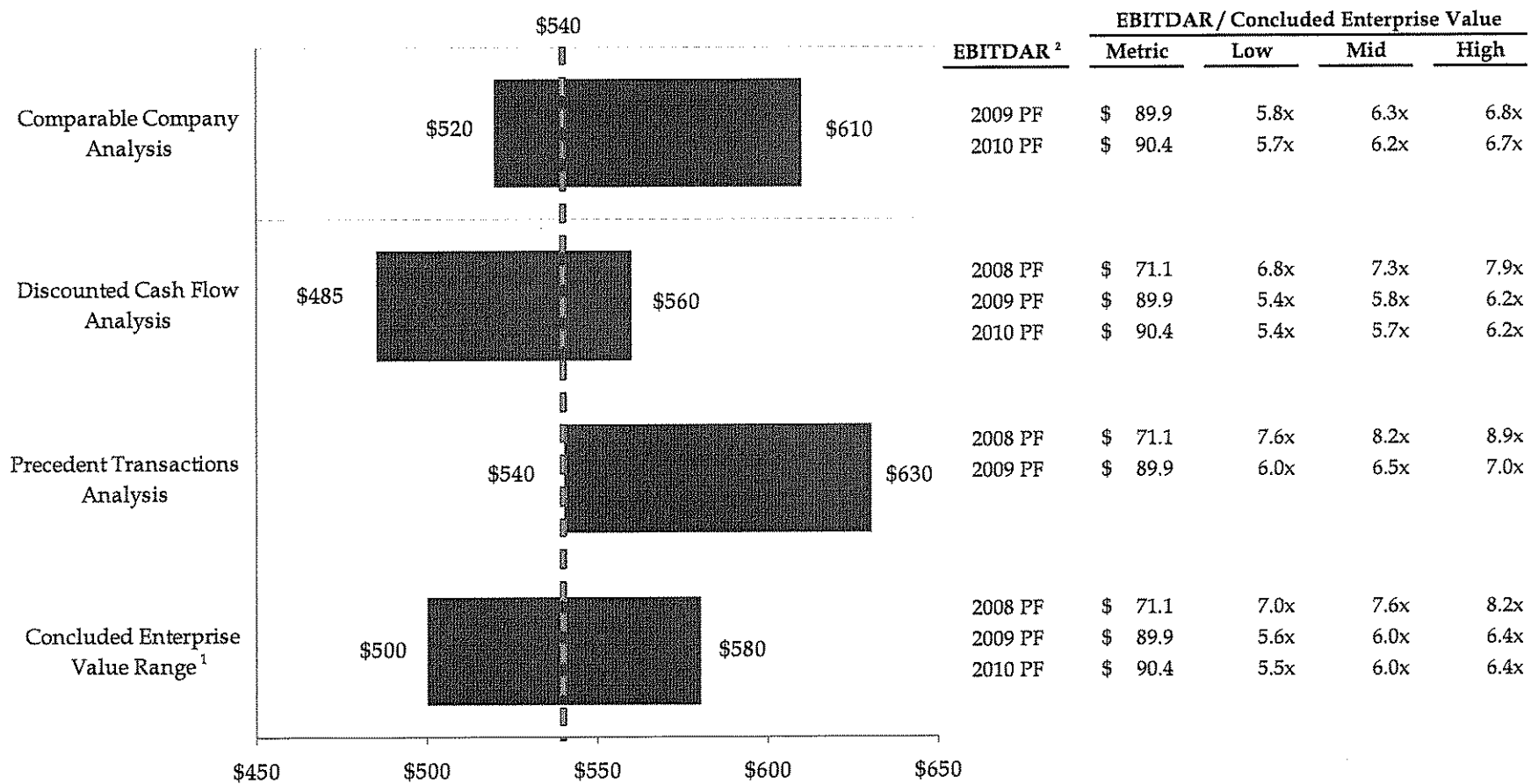
# Preliminary Valuation Analysis

MOELLIS & COMPANY

The table below illustrates the selected TEV range for the preliminary valuation

- Based on the selected methodologies the concluded enterprise value range is approximately \$500 - \$580 million

## VALUATION SUMMARY (\$ IN MILLIONS)



1. Assumes weighting of 60% for discounted cash flow analysis, 30% for comparable companies analysis and 10% for precedent transaction analysis  
 2. EBITDAR represents EBITDA plus restructuring charges. The 2008 and 2009 PF EBITDAR includes adjustments a 5% gaming tax add-back net of hotel loss, hotel pre-opening expenses, bonuses to union employees and cost saving initiatives

## Review of Concluded Enterprise Value

MOELLER &amp; COMPANY

The analysis outlined herein results in a concluded total enterprise value of \$500 to \$580 million with a mid-point of \$540 million

### RANGE OF PRELIMINARY TOTAL ENTERPRISE VALUES FOR GREEKTOWN (\$ IN MILLIONS)

	Implied Enterprise Value Range						Weighting
	Low	--	Mid	--	High		
Comparable Company Analysis	\$ 520.0		\$ 565.0		\$ 610.0		30.0%
Discounted Cash Flow Analysis	485.0		520.0		560.0		60.0%
Precedent Transactions Analysis	540.0		585.0		630.0		10.0%
<b>Concluded Enterprise Value Range</b>	<b>\$ 500.0</b>		<b>\$ 540.0</b>		<b>\$ 580.0</b>		<b>100.0%</b>

### CONCLUDED ENTERPRISE VALUE / PF EBITDAR MULTIPLES (\$ IN MILLIONS)

	Projection	Implied Multiple Range					
		Low	--	Mid	--	High	
2008 PF EBITDAR	\$ 71.1	7.0x		7.6x		8.2x	
2009 PF EBITDAR	89.9	5.6x		6.0x		6.4x	
2010 PF EBITDAR	90.4	5.5x		6.0x		6.4x	



## Summary Greektown Projected Financials

MOELLER &amp; COMPANY

Summary financials reflects Greektown's revised budget as of June 2009

### SUMMARY PROJECTED FINANCIALS (\$ IN MILLIONS)

	FYE December 31,									CAGR '08A - '13P
	2006A	2007A	2008A	2009P	2010P	2011P	2012P	2013P		
Revenue										
Net Gaming Revenue	\$ 329.8	\$ 321.8	\$ 297.3	\$ 314.2	\$ 321.0	\$ 327.5	\$ 334.2	\$ 340.9		2.8%
Food & Beverage	16.2	14.0	11.8	17.8	16.6	16.9	17.2	17.6		8.2%
Hotel	-	-	-	11.9	12.4	12.7	12.9	13.2		NA
Other	5.0	4.9	4.6	5.2	5.3	5.4	5.5	5.6		4.0%
Total Gross Revenue	351.0	340.6	313.8	349.1	355.3	362.5	369.8	377.3		3.8%
Less: Promotional Allowances	22.1	26.0	27.1	26.6	25.4	25.5	25.7	25.8		(1.0%)
<b>Total Net Revenue</b>	<b>\$ 329.0</b>	<b>\$ 314.6</b>	<b>\$ 286.7</b>	<b>\$ 322.5</b>	<b>\$ 329.9</b>	<b>\$ 337.0</b>	<b>\$ 344.2</b>	<b>\$ 351.6</b>		<b>4.2%</b>
<i>% Growth</i>	-	4.4%	8.9%	12.5%	2.3%	2.1%	2.1%	2.1%		
Gaming Expenses <sup>1</sup>	174.1	173.0	162.1	155.4	139.7	142.7	145.5	148.3		(1.8%)
Other Expenses <sup>2</sup>	11.3	11.5	11.2	29.0	29.0	29.8	30.6	31.4		23.0%
Gross Profit	\$ 143.5	\$ 130.1	\$ 113.4	\$ 138.1	\$ 161.1	\$ 164.4	\$ 168.1	\$ 171.9		8.7%
<i>% Margin</i>	43.6%	41.4%	39.6%	42.8%	48.8%	48.8%	48.8%	48.9%		
Overhead Expenses	68.2	70.8	75.1	94.8	70.7	71.8	73.2	74.6		(0.1%)
<b>EBITDA</b>	<b>\$ 75.3</b>	<b>\$ 59.3</b>	<b>\$ 38.4</b>	<b>\$ 43.3</b>	<b>\$ 90.4</b>	<b>\$ 92.7</b>	<b>\$ 95.0</b>	<b>\$ 97.2</b>		<b>20.4%</b>
<i>% Margin</i>				13.4%	27.4%	27.5%	27.6%	27.7%		
Adjustments:										
Restructuring Charges	\$ -	\$ -	\$ 11.7	\$ 27.6	\$ -	\$ -	\$ -	\$ -		
Other Pro Forma Adjustments <sup>3</sup>	15.9	15.7	21.1	19.1	-	-	-	-		
<b>Pro Forma Adjusted EBITDAR</b>	<b>\$ 91.2</b>	<b>\$ 75.0</b>	<b>\$ 71.1</b>	<b>\$ 89.9</b>	<b>\$ 90.4</b>	<b>\$ 92.7</b>	<b>\$ 95.0</b>	<b>\$ 97.2</b>		<b>6.5%</b>
<i>% Margin</i>	27.7%	23.8%	24.8%	27.9%	27.4%	27.5%	27.6%	27.7%		
<i>% Growth</i>	-	(17.8%)	(5.2%)	26.5%	0.6%	2.5%	2.5%	2.4%		

Source: Management estimates

- Gaming Expenses include taxes for state, city and local municipalities along with gaming department expenses. Beginning in 2010 the taxes include a 5.0% tax roll-back pursuant to existing agreements with the City of Detroit and Michigan Gaming Control Board (26.25% to 21.25%).
- Other Expenses include food and beverage, hotel and other
- Other Pro Forma Adjustments include gaming tax add-back net of hotel loss, hotel pre-opening expenses, bonuses to union employees and cost saving initiatives

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## Updated YTD Financial Results

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### Review of YTD May 2009 budget vs. actual results

- Through May 2009, Greentown has outperformed the budget by 5.4% and 87.0% in net revenue and EBITDAR, respectively

### SUMMARY BUDGET VS. ACTUAL RESULTS

(\$ in millions)

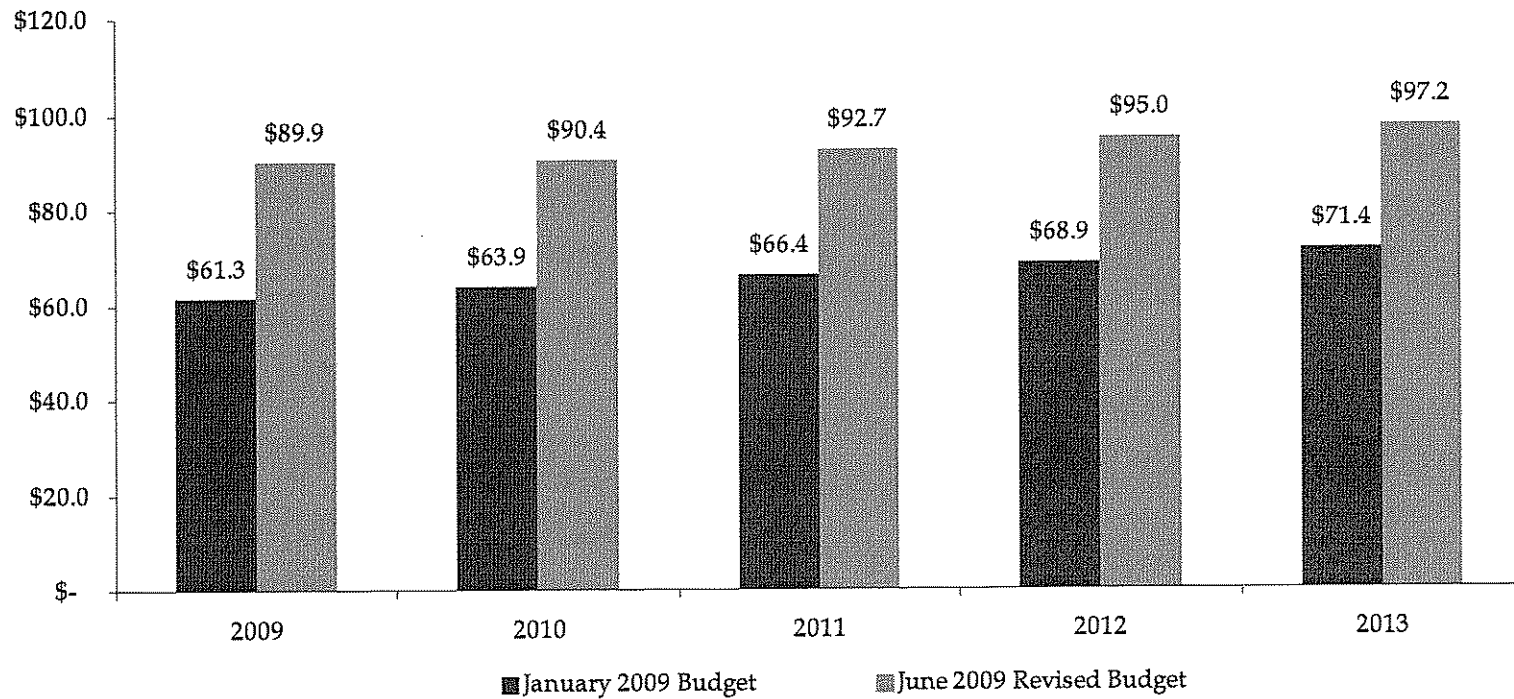
	YTD May 2009			
	Prelim. Actual	Jan. 2009 Budget	Variance (\$)	Variance (%)
<b>Revenue</b>				
Net Gaming	\$ 134.9	\$ 129.6	\$ 5.3	4.1%
Food & Beverage	8.9	8.3	0.6	7.3%
Hotel	2.8	3.1	(0.3)	(9.3%)
Other	2.1	2.3	(0.2)	(7.8%)
Promotional Allowances	(12.6)	(14.1)	1.5	(10.9%)
<b>Total Net Revenues</b>	<b>\$ 136.2</b>	<b>\$ 129.2</b>	<b>\$ 7.0</b>	<b>5.4%</b>
<b>EBITDAR</b>	<b>\$ 31.3</b>	<b>\$ 16.7</b>	<b>\$ 14.5</b>	<b>87.0%</b>

## Updated Projected Financial Results

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- The revised budget shows significant improvements on financial performance

PROJECTED 2009E - 2013E EBITDAR (6/09 REVISED BUDGET VS. 1/09 BUDGET)



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## Comparable Company Analysis

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Comparable company analysis provides a valuation range based on an analysis of how the public markets value comparable businesses with operations and financial characteristics similar to Greektown

- Moelis' comparable companies analysis primarily focused on multiples of EBITDA, defined, unless otherwise noted, to exclude restructuring expenses and other one-time charges
- Moelis' valuation is based on targeting mid-cap companies in non-major markets plus Boyd Gaming
  - Moelis believes this group of public companies has reasonably similar operational requirements, risk and profitability characteristics
    - However, Greektown is a single property gaming entity, operating in bankruptcy which is unlike any of the public comparables
  - Moelis has also included large-cap and mid-cap (major markets) companies for reference, but did not use these comparables in determining valuation
- The comparable company analysis is based on the following selected comparable companies
  - Ameristar Casinos (NASDAQ: ASCA)
  - Boyd Gaming (NYSE: BYD)
  - Isle of Capri Casinos (NASDAQ: ISLE)
  - Penn National Gaming (NASDAQ: PENN)
  - Pinnacle Entertainment (NYSE: PNK)
- Moelis also reviewed other large-cap companies
  - MGM Mirage (NYSE: MGM)
  - Las Vegas Sands (NYSE: LVS)
  - Wynn Resorts (NASDAQ: WYNN)

# Market Data on Selected Gaming Companies

MOELLIS &amp; COMPANY

Trading statistics as of June 26, 2009

## MARKET DATA ON SELECTED GAMING COMPANIES

(US\$ millions, except per share data)	Share Price	52 Week		Equity Value	Enterprise Value	TEV/EBITDA			Price/Earnings			LT Growth Rate	Net Debt/2009 EBITDA	
		High	Low			CY09E	CY10E	CY11E	CY09E	CY10E	CY11E			
<b>Large-Cap</b>														
MGM Mirage	\$6.78	\$38.49	\$1.81	\$2,990	\$14,986	10.8x	10.6x	9.8x	NM	NM	NM	14.0%	8.6x	
						Mean	10.8x	10.6x	9.8x	NM	NM	NM	14.0%	8.6x
<b>Large-Cap (Asia Exposure)</b>														
Las Vegas Sands	\$8.25	\$59.17	\$1.38	\$5,438	\$13,783	14.1x	9.3x	7.5x	NM	27.0x	13.3x	35.1%	8.0x	
Wynn Resorts	36.72	119.74	14.50	4,553	7,590	12.1x	10.5x	8.9x	NM	NM	24.2x	20.0%	4.8x	
						Mean	13.1x	9.9x	8.2x	NM	27.0x	18.7x	27.6%	6.4x
<b>Mid-Cap (Major Markets<sup>1</sup>)</b>														
Boyd Gaming Corp	\$8.80	\$14.92	\$2.81	\$767	\$3,367	8.2x	7.9x	7.7x	18.7x	15.6x	10.9x	16.0%	6.3x	
						Mean	8.2x	7.9x	7.7x	18.7x	15.6x	10.9x	16.0%	6.3x
<b>Mid-Cap (Other Markets)</b>														
Penn National Gaming <sup>2</sup>	\$29.26	\$35.37	\$11.82	\$2,339	\$4,798	7.8x	7.1x	6.9x	15.5x	13.0x	12.2x	15.0%	2.7x	
Ameristar Casinos Inc.	19.60	23.00	4.64	1,144	2,746	7.8x	7.3x	7.1x	13.0x	12.9x	12.8x	15.0%	4.6x	
Isle of Capri Casinos Inc.	13.32	14.48	2.04	433	1,618	8.0x	7.4x	6.9x	NM	NM	20.7x	NA	5.9x	
Pinnacle Entertainment Inc.	9.70	13.99	2.58	587	1,435	7.2x	6.4x	5.6x	NM	NM	16.8x	17.5%	4.3x	
						Mean	7.7x	7.1x	6.6x	14.3x	12.9x	15.6x	15.8%	4.3x
						Median	7.8x	7.2x	6.9x	14.3x	12.9x	14.5x	15.0%	4.4x
						Overall Mean	9.5x	8.3x	7.5x	15.7x	17.1x	15.8x	18.9%	5.6x
						Overall Median	8.1x	7.7x	7.3x	15.5x	14.3x	13.3x	16.0%	5.3x

Source: Capital IQ, SEC filings, Wall Street research

Note:

1. Major markets defined as companies generating a majority of property EBITDA in Atlantic City, NJ and Las Vegas, NV

2. Penn National Gaming's capital structure includes a \$1.25 billion zero coupon preferred security that at the company's option converts into equity. The security matures in June 2015 and is redeemable for cash, shares of common stock or a combination thereof. Per the company's SEC filings, on a share dilution basis, the security increases the diluted common shares outstanding by 27.8 million when the stock price is below \$45. This results in \$813 million of additional equity value as of 6/26/09

## Comparable Company Analysis (cont'd)

MOELIS &amp; COMPANY

Review of financial operating data as of June 26, 2009

### OPERATING DATA ON SELECTED GAMING COMPANIES

	2009E Financials					2010E Financials					2011E Financials					EBITDA Growth '09E - '11E
	Rev.	EBITDA		Net Income		Rev.	EBITDA		Net Income		Rev.	EBITDA		Net Income		
	CY09E	CY09E	Margin	CY09E	Margin	CY10E	CY10E	Margin	CY10E	Margin	CY11E	CY11E	Margin	CY11E	Margin	
<i>(\$US millions, except per share data)</i>																
<b>Large-Cap</b>																
MGM Mirage	\$5,974.2	\$1,387.1	23.2%	(\$113.4)	(1.9%)	\$5,910.0	\$1,411.5	23.9%	(\$214.0)	(3.6%)	\$6,071.8	\$1,533.8	25.3%	(\$152.7)	(2.5%)	5.2%
<b>Mean</b>			<b>23.2%</b>		<b>(1.9)%</b>			<b>23.9%</b>		<b>(3.6)%</b>			<b>25.3%</b>		<b>(2.5)%</b>	<b>5.2%</b>
<b>Large-Cap (Asia Exposure)</b>																
Las Vegas Sands	\$4,503.1	\$974.8	21.6%	(\$17.4)	(0.4%)	\$6,360.1	\$1,487.5	23.4%	\$201.3	3.2%	\$6,978.5	\$1,828.0	26.2%	\$407.8	5.8%	36.9%
Wynn Resorts	2,968.5	627.3	21.1%	15.1	0.5%	3,175.4	722.9	22.8%	67.4	2.1%	3,755.9	853.0	22.7%	188.5	5.0%	16.6%
<b>Mean</b>			<b>21.4%</b>		<b>0.1%</b>			<b>23.1%</b>		<b>2.6%</b>			<b>24.5%</b>		<b>5.4%</b>	<b>26.8%</b>
<b>Mid-Cap (Major Markets)<sup>1</sup></b>																
Boyd Gaming Corp	\$1,709.4	\$410.2	24.0%	\$41.0	2.4%	\$1,744.0	\$424.7	24.4%	\$49.3	2.8%	\$1,760.6	\$439.4	25.0%	\$70.6	4.0%	3.5%
<b>Mean</b>			<b>24.0%</b>		<b>2.4%</b>			<b>24.4%</b>		<b>2.8%</b>			<b>25.0%</b>		<b>4.0%</b>	<b>3.5%</b>
<b>Mid-Cap (Other Markets)</b>																
Penn National Gaming <sup>2</sup>	\$2,448.3	\$615.2	25.1%	\$150.8	6.2%	\$2,597.0	\$673.6	25.9%	\$180.6	7.0%	\$2,620.0	\$695.7	26.6%	\$192.0	7.3%	6.3%
Ameristar Casinos Inc.	1,270.0	350.6	27.6%	88.0	6.9%	1,331.7	377.6	28.4%	88.5	6.6%	1,345.4	387.8	28.8%	89.5	6.7%	5.2%
Isle of Capri Casinos Inc.	1,061.2	202.8	19.1%	11.9	1.1%	1,081.0	217.3	20.1%	14.3	1.3%	1,140.6	233.8	20.5%	21.0	1.8%	7.4%
Pinnacle Entertainment Inc.	1,073.0	199.0	18.5%	11.9	1.1%	1,277.6	225.2	17.6%	12.3	1.0%	1,318.3	254.9	19.3%	35.0	2.7%	13.2%
<b>Mean</b>			<b>22.6%</b>		<b>3.8%</b>			<b>23.0%</b>		<b>4.0%</b>			<b>23.8%</b>		<b>4.6%</b>	<b>8.0%</b>
<b>Median</b>			<b>22.1%</b>		<b>3.6%</b>			<b>23.0%</b>		<b>4.0%</b>			<b>23.5%</b>		<b>4.7%</b>	<b>6.9%</b>
<b>Overall Mean</b>			<b>22.5%</b>		<b>2.0%</b>			<b>23.5%</b>		<b>2.5%</b>			<b>24.3%</b>		<b>3.9%</b>	<b>11.8%</b>
<b>Overall Median</b>			<b>22.4%</b>		<b>1.1%</b>			<b>23.6%</b>		<b>2.5%</b>			<b>25.1%</b>		<b>4.5%</b>	<b>6.9%</b>
<b>Greektown</b>	<b>\$322.5</b>	<b>\$89.9</b>	<b>27.9%</b>	<b>--</b>	<b>--</b>	<b>\$329.9</b>	<b>\$90.4</b>	<b>27.4%</b>	<b>--</b>	<b>--</b>	<b>\$337.0</b>	<b>\$92.7</b>	<b>27.5%</b>	<b>--</b>	<b>--</b>	<b>1.5%</b>

Source: SEC filings and Wall Street research

1. Major markets defined as companies generating a majority of property EBITDA in Atlantic City, NJ and Las Vegas, NV

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## Comparable Company Analysis (cont'd)

MOELIS &amp; COMPANY

### Summary implied total enterprise value calculation based on pro forma 2009E and 2010E EBITDAR

- Moelis selected the following multiple ranges based on a discount to implied comparables range
  - The five selected comparable companies are all multi-asset entities with properties located in various regions throughout the U.S.
    - No single-asset gaming entity is publicly traded in the U.S. market
  - Greektown is a single asset entity located in Detroit, Michigan, with a lower projected EBITDA growth than selected comparable companies
    - These factors compared to the comparable companies suggest Greektown will be valued at a discount to the multiples of the comps
  - Moelis believes that Pinnacle Entertainment is the most comparable company to Greektown
    - However, Pinnacle Entertainment is a multi-asset entity and therefore Moelis believes Greektown will be valued at a discount to the multiples of Pinnacle Entertainment

### SUMMARY COMPARABLE COMPANY VALUATION RANGE (\$ IN MILLIONS)

	Projection	Implied Multiple Range			Implied Greektown Range		
		Low	Mid	High	Low	Mid	High
Pro Forma 2009E EBITDAR	\$ 89.9	6.00x	6.50x	7.00x	\$ 539.7	\$ 584.6	\$ 629.6
Pro Forma 2010E EBITDAR	90.4	5.50x	6.00x	6.50x	497.5	542.7	587.9
<b>Implied Comparable Company Valuation<sup>1</sup></b>					<b>\$ 520.0</b>	<b>\$ 565.0</b>	<b>\$ 610.0</b>

### Implied Greektown Valuation Multiples

	Projection			
Pro Forma 2009E EBITDAR	\$ 89.9	5.8x	6.3x	6.8x
Pro Forma 2010E EBITDAR	90.4	5.7x	6.2x	6.7x

1. Implied Comparable Company Valuation based on equal weighting the results for Pro Forma 2009E EBITDAR and Pro Forma 2010E EBITDAR

## Discounted Cash Flow Analysis

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MOELIS &amp; COMPANY

Discounted cash flow analysis calculates the present value of Greektown's business plan by discounting future cash flows and the terminal value at a rate reflecting the risk profile and assumed time value of money

- Discounted cash flow analysis is based on Greektown's projected unlevered free cash flows through December 31, 2013 from the June 2009 business plan
  - The cash flows are calculated by using projected operating income plus restructuring costs and other one-time charges less taxes plus depreciation and amortization less projected capital expenditures plus net changes in working capital
- The annual free cash flows and terminal values are discounted to June 30, 2009, at an appropriate weighted average cost of capital ("WACC"), which considers the marginal costs of all sources of capital
  - The analysis uses a WACC of 11.5% to 12.5%
- Moelis utilized the terminal multiple method to calculate a preliminary, hypothetical valuation range
  - The terminal multiple method estimates the terminal value assuming Greektown will be valued at the end of the forecast period based on taking into consideration the comparable company analysis and the precedent transaction analysis
    - Moelis selected a terminal value multiple range of 5.25x to 6.25x which implies a perpetuity growth rate of 0.7% to 3.2%



## Discounted Cash Flow Analysis (cont'd)

MOELLIS &amp; COMPANY

### Summary discounted cash flow analysis

#### SUMMARY DISCOUNTED CASH FLOW VALUATION RANGE (\$ IN MILLIONS)

	Implied Greektown Range			
	Low	--	Mid	High
Illustrative Enterprise Value based on DCF	\$ 483.4		\$ 520.4	\$ 558.8
<b>Implied DCF Value</b>	<b>\$ 485.0</b>		<b>\$ 520.0</b>	<b>\$ 560.0</b>

#### Implied Greektown Valuation Multiples

	Projection	Implied Multiple Range			
		Low	--	Mid	High
2008 PF EBITDAR	\$ 71.1	6.8x		7.3x	7.9x
2009 PF EBITDAR	89.9	5.4x		5.8x	6.2x
2010 PF EBITDAR	90.4	5.4x		5.7x	6.2x

## Discounted Cash Flow Analysis (cont'd)

MOELIS &amp; COMPANY

## Summary implied total enterprise value calculation

SUMMARY DISCOUNTED CASH FLOW ANALYSIS (\$ IN MILLIONS)<sup>1</sup>

Discounted Cash Flow Analysis	Projected Fiscal Year Ending December 31,					CAGR '09 - '13	Discounted Cash Flow Summary	
	2H '09	2010	2011	2012	2013			
Net Revenue	\$ 160.7	\$ 329.9	\$ 337.0	\$ 344.2	\$ 351.6	2.2%	Assumed Exit EBITDA Multiple	5.75x
% YoY Growth	N/A	2.3%	2.1%	2.1%	2.1%		Terminal Value	\$ 559.2
Pro Forma Adjusted EBITDAR	\$ 42.7	90.4	92.7	95.0	97.2	2.0%	Terminal Value Factor	0.601
% YoY Growth	N/A	0.6%	2.5%	2.5%	2.4%		PV of Terminal Value	\$ 335.8
Less: Depreciation and Amortization	(12.1)	(21.9)	(23.5)	(25.2)	(24.8)		PV of Unlevered Free Cash Flows	184.6
EBIT	30.6	68.6	69.1	69.7	72.4	0.7%	Illustrative Enterprise Value	\$ 520.4
Less: Taxes @ 40.0%	(12.2)	(27.4)	(27.6)	(27.9)	(28.9)			
Unlevered Net Income	\$ 18.4	\$ 41.2	\$ 41.5	\$ 41.9	\$ 43.5		Terminal Value % of EV	64.5%
Plus: Depreciation and Amortization	12.1	21.9	23.5	25.2	24.8		Implied Perpetuity Growth Rate	2.0%
Less: Construction Capital Expenditures	(1.4)	-	-	-	-			
Less: Maintenance Capital Expenditures	(4.0)	(11.4)	(13.5)	(13.5)	(13.5)		Implied TEV / 2008 PF EBITDAR	7.3x
Plus / Less: Change in Working Capital	-	-	-	-	-		Implied TEV / 2009 PF EBITDAR	5.8x
Unlevered Free Cash Flows	\$ 25.1	\$ 51.7	\$ 51.6	\$ 53.6	\$ 54.8		Implied TEV / 2010 PF EBITDAR	5.8x
Discount Rate @ 12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%		
Cash Flow Discount Period	0.25	1.00	2.00	3.00	4.00	4.50		
Cash Flow Discount Factor	0.972	0.893	0.797	0.712	0.636	0.601		
Unlevered Free Cash Flows	25.1	51.7	51.6	53.6	54.8	-		
Terminal Value (5.75x Exit Multiple)						559.2		
Discounted Free Cash Flows	\$ 24.4	\$ 46.1	\$ 41.1	\$ 38.2	\$ 34.8	\$ 335.8		
<b>Total DCF Valuation</b>	<b>\$ 520.4</b>							

1. Analysis does not assume any adjustments based on fresh start accounting that may result from a transaction

## Discounted Cash Flow Analysis (cont'd)

MOELLER & COMPANY

### Sensitivities analysis

#### ENTERPRISE VALUE SENSITIVITY (\$ IN MILLIONS)

WACC	Terminal Multiple				
	4.75x	5.25x	5.75x	6.25x	6.75x
11.50%	\$ 469.4	\$ 499.2	\$ 529.0	\$ 558.8	\$ 588.6
11.75%	465.7	495.2	524.7	554.1	583.6
12.00%	462.0	491.2	520.4	549.6	578.8
12.25%	458.4	487.3	516.2	545.1	574.0
12.50%	454.8	483.4	512.0	540.6	569.2

#### IMPLIED PERPETUITY GROWTH RATE SENSITIVITY

WACC	Terminal Multiple				
	4.75x	5.25x	5.75x	6.25x	6.75x
11.50%	(0.3%)	0.7%	1.5%	2.3%	2.9%
11.75%	(0.1%)	0.9%	1.8%	2.5%	3.1%
12.00%	0.1%	1.1%	2.0%	2.7%	3.4%
12.25%	0.3%	1.4%	2.2%	3.0%	3.6%
12.50%	0.6%	1.6%	2.5%	3.2%	3.8%

# WACC Analysis (cont'd)

MOELIS & COMPANY

## Summary illustrative WACC analysis

- Moelis selected a two-year historic period to evaluate betas and capitalization due to the recent volatility in the market

### WACC ANALYSIS

Assumptions		WACC Calculation	
Assumed Tax Rate <sup>1</sup>	40.0%	Cost of Debt (K <sub>d</sub> )	
Assumed Pre-Tax Cost of Debt <sup>2</sup>	12.0%	Assumed Pre-Tax Cost of Debt	12.0%
Market Risk Premium (MRP) <sup>3</sup>	7.1%	Assumed Tax Rate	40.0%
Small Cap Premium (SP) <sup>3</sup>	3.7%	K <sub>d</sub>	7.2%
Risk Free Rate - 10 Year U.S. Treasury (R <sub>f</sub> )	3.5%	Cost of Equity (K <sub>e</sub> )	
K <sub>e</sub> = R <sub>f</sub> + (B <sub>L</sub> × MRP) + SP		Risk Free Rate (10-year treasury) as of 6/26/2009	3.5%
WACC = K <sub>d</sub> × (1-T) × (D / (D+E)) + K <sub>e</sub> × (1-D) / (D+E)		Median 2-Year Beta of Comparable Companies	1.97
		2-Year Unlevered Beta of Comparable Companies	0.95
		2-Year Debt to Total Capitalization of Comparable Companies	65.0%
		Beta Levered <sup>4</sup>	2.01
		Market Risk Premium	7.1%
		Small Cap Premium	3.7%
		K <sub>e</sub>	21.5%
		Weighted Average Cost of Capital (WACC)	
		2-Year Debt to Total Capitalization of Comparable Companies	65.0%
		Equity to Total Capitalization	35.0%
		WACC	12.2%
		WACC (Rounded)	12.0%

1. Analysis assumes Greentown is controlled by an entity that is a federal tax payer at a rate of 35% and a Michigan tax payer at a 5% rate  
 2. Moelis estimate  
 3. Ibbotson Associates, Risk Premia Over Time: 2008  
 4. Calculation: (1 + (1 - Tax Rate) \* (Median 2 Year Debt to Total Capitalization / (1 - Median 2 Year Debt to Total Capitalization))) \* Median 2 Year Unlevered Beta

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## WACC Analysis (cont'd)

MOELIS &amp; COMPANY

## Supporting calculations and sensitivity

## COMPARABLES SUMMARY

	Beta Assumptions <sup>1</sup>			
	1 YR	2 YR	B <sub>a</sub> (1 YR) <sup>3</sup>	B <sub>a</sub> (2 YR) <sup>3</sup>
Ameristar Casinos Inc.	2.087	1.982	0.53	0.71
Boyd Gaming Corp.	2.079	1.973	0.81	0.93
Isle of Capri Casinos Inc.	1.646	1.588	0.24	0.30
Penn National Gaming Inc.	1.742	1.537	1.05	1.00
Pinnacle Entertainment Inc.	2.329	2.203	1.04	1.20
<b>Mean</b>	<b>1.98</b>	<b>1.86</b>	<b>0.73</b>	<b>0.83</b>
<b>Median</b>	<b>2.08</b>	<b>1.97</b>	<b>0.81</b>	<b>0.93</b>

## Capital Structure Assumptions

	BV Debt	Mkt Cap	Pref	BV Debt / (Mkt Cap + Pref)			BV Debt / Total Cap		
				Current	1 YR	2 YR	Current	1 YR	2 YR
Ameristar Casinos Inc.	\$ 1,681.2	\$ 1,143.8	\$ -	147.0%	494.7%	295.1%	59.5%	80.8%	63.8%
Boyd Gaming Corp.	2,698.5	766.7	-	352.0%	262.1%	186.9%	77.9%	70.4%	60.5%
Isle of Capri Casinos Inc.	1,301.1	433.4	-	300.2%	967.9%	701.4%	75.0%	88.4%	83.4%
Penn National Gaming Inc. <sup>2</sup>	2,384.2	2,339.5	812.8	75.6%	110.3%	88.5%	43.1%	51.6%	45.7%
Pinnacle Entertainment Inc.	979.0	587.1	-	166.7%	205.6%	139.5%	62.5%	65.6%	53.2%
<b>Mean</b>				<b>208.3%</b>	<b>408.1%</b>	<b>282.3%</b>	<b>63.6%</b>	<b>71.4%</b>	<b>61.3%</b>
<b>Median</b>				<b>166.7%</b>	<b>262.1%</b>	<b>186.9%</b>	<b>62.5%</b>	<b>70.4%</b>	<b>60.5%</b>

## WACC SENSITIVITY OVERVIEW

Debt/ Cap	Unlevered Beta				
	0.85	0.90	0.95	1.00	1.05
55.0%	12.9%	13.3%	13.6%	14.0%	14.3%
60.0%	12.3%	12.6%	12.9%	13.2%	13.5%
65.0%	11.7%	11.9%	12.2%	12.5%	12.7%
70.0%	11.0%	11.3%	11.5%	11.7%	11.9%
75.0%	10.4%	10.6%	10.8%	11.0%	11.1%

1. Leveraged beta is adjusted based on respective period (source: Bloomberg, as of June 26, 2009)

2. Penn National Gaming's capital structure includes a \$1.25 billion zero coupon preferred security that at the company's option converts into equity. The security matures in June 2015 and is redeemable for cash, shares of common stock or a combination thereof. Per the company's SEC filings, on a share dilution basis, the security increases the diluted common shares outstanding by 27.8 million when the stock price is below \$45. This results in \$813 million of additional equity value as of 6/26/09

3. Calculation: Unlevered Beta / (1 + (1 - Tax Rate)\*(Debt/Equity))

## Precedent Transaction Analysis

MOELIS & COMPANY

Precedent transaction analysis provides a valuation range based on an analysis of change of control transactions involving businesses comparable to Greektown

- The time periods covering the included precedent transactions are based on three different market conditions:
  - 2008 to Present
    - Median: 9.0x
    - Median Mid-Cap Excluding Las Vegas Strip and Atlantic City: N/A
  - 2006 to 2007
    - Median: 12.4x
    - Median Mid-Cap Excluding Las Vegas Strip and Atlantic City: 13.0x
  - Prior to 2006:
    - Median: 7.3x
    - Median Mid-Cap Excluding Las Vegas Strip and Atlantic City: 6.0x
  - For the universe, the Median Mid-Cap Excluding Las Vegas Strip and Atlantic City: 7.4x
- Recently announced Treasure Island Hotel & Casino transaction provides an indication of current valuation multiples in the sector, but is not directly comparable to Greektown primarily due to its Las Vegas Strip location
  - Treasure Island Hotel & Casino - 8.0x
    - Divestiture from MGM; property located in major market (Las Vegas Strip)
- Moelis did not include the Tropicana Casino & Resort transaction announced in June 2009 since the bid was by existing creditors and may not be indicative of an appropriate M&A market valuation

Note: Multiples are based on forward EBITDA estimates. Forward EBITDA estimate for year of transaction if deal took place in first half of year; forward EBITDA for next calendar year if deal took place in second half of the year. Based on publicly available information and Wall Street research

## Precedent Transaction Analysis (cont'd)

MOELIS &amp; COMPANY

During the past decade, the gaming market has experienced at least three different markets

Date	Acquiror	Target	Transaction Value	Transaction Value / Forward EBITDA <sup>1</sup>
12/15/08	Ruffin Acquisition	Treasure Island	\$ 775.0	8.0x
05/28/08	Coastal Development <sup>2</sup>	Trump Marina, Inc.	270.0	10.0x
		Median - 2008 to Present	\$ 522.5	9.0x
		Median - 2008 to Present (Mid-Cap Excl. LV Strip and AC)	N/A	N/A
12/11/07	Crown Limited	Cannery Casino Resorts, LLC	1,800.0	11.3x
06/15/07	Fortress / Centerbridge <sup>3</sup>	Penn National Gaming	8,717.1	13.0x
04/23/07	Whitehall Street Fund	American Casino & Ent. Properties	1,487.2	14.9x
04/04/07	PBL Ltd.	Gateway Casinos Income Fund	1,184.5	14.8x
04/03/07	Ameristar Casinos Inc.	Resorts East Chicago	675.0	10.5x
12/19/06	Apollo / TPG	Harrah's Entertainment	27,812.0	10.1x
12/04/06	Fertitta Colony Partners	Station Casinos	8,605.3	14.0x
05/19/06	Columbia Entertainment	Aztar Corporation	2,706.8	11.8x
05/01/06	Sol Kerzner and Investor Group	Kerzner International Ltd.	3,800.0	15.8x
02/14/06	Legends Gaming	Isle of Capri Vicksburg and Bossier City	240.0	6.9x
		Median - 2006 to 2007	\$ 2,253.4	12.4x
		Median 2006 - 2007 (Mid-Cap Excl. LV Strip and AC)	1,487.2	13.0x
11/03/04	Penn National Gaming	Argosy Gaming	2,149.8	7.7x
09/27/04	Colony Capital	Harrah's / Caesars' Assets	1,240.0	8.1x
07/15/04	Harrah's Entertainment	Caesars Entertainment	10,224.0	8.0x
06/04/04	MGM Mirage	Mandalay Resort	7,692.4	10.0x
02/09/04	Boyd Gaming	Coast Casinos Inc.	1,253.1	7.4x
01/21/04	Boyd Gaming	Harrah's Shreveport	190.0	4.3x
09/11/03	Harrah's Entertainment	Horseshoe Gaming Holding Corp.	1,387.9	7.2x
04/24/01	Harrah's Entertainment	Harvey's Casino	675.0	5.0x
04/16/01	Argosy Gaming	Joliet Empress	465.0	6.2x
10/18/00	Ameristar	Station Casino Missouri Casinos	475.0	5.8x
02/22/00	MGM Grand Inc.	Mirage Resorts Inc.	6,353.8	9.9x
08/19/99	Harrah's Entertainment	Players International	425.0	4.6x
		Median - Pre-2006	\$ 1,246.5	7.3x
		Median - Pre-2006 (Mid-Cap Excl. LV Strip and AC)	575.0	6.0x
		Mean - All Transactions	3,775.2	9.4x
		Median - All Transactions	1,320.5	9.0x
		Mean - Mid-Cap (Excl. LV Strip and AC)	1,661.6	9.0x
		Median - Mid-Cap (Excl. LV Strip and AC)	1,184.5	7.4x

Source: SEC filings and Wall Street research

Note: Transactions completed in 2005 lack publicly available information to analyze

1. Forward EBITDA estimate for year of transaction if deal took place in first half of year; forward EBITDA for next calendar year if deal took place in second half of the year. Based on publicly available information

2. Offer amended on 10/29/08 (from \$316mm); 10.0x multiple adjusted for debt rollover and tax benefits

3. Offer withdrawn in July 2008

## Precedent Transaction Analysis (cont'd)

**MOELIS & COMPANY**

Moelis believes mid-cap transactions excluding Las Vegas Strip and Atlantic City are the most comparable transactions

Date	Acquiror	Target	Transaction Value	Transaction Value / Forward EBITDA <sup>1</sup>
12/11/07	Crown Limited	Cannery Casino Resorts, LLC	1,800.0	11.3x
06/15/07	Fortress / Centerbridge <sup>2</sup>	Penn National Gaming	8,717.1	13.0x
04/23/07	Whitehall Street Fund	American Casino & Ent. Properties	1,487.2	14.9x
04/04/07	PBL Ltd.	Gateway Casinos Income Fund	1,184.5	14.8x
04/03/07	Ameristar Casinos Inc.	Resorts East Chicago	675.0	10.5x
05/01/06	Sol Kerzner and Investor Group	Kerzner International Ltd.	3,800.0	15.8x
02/14/06	Legends Gaming	Isle of Capri Vicksburg and Bossier City	240.0	6.9x
Median - 2006 to 2007 <sup>2</sup>			\$ 1,487.2	13.0x
11/03/04	Penn National Gaming	Argosy Gaming	2,149.8	7.7x
02/09/04	Boyd Gaming	Coast Casinos Inc.	1,253.1	7.4x
01/21/04	Boyd Gaming	Harrah's Shreveport	190.0	4.3x
09/11/03	Harrah's Entertainment	Horseshoe Gaming Holding Corp.	1,387.9	7.2x
04/24/01	Harrah's Entertainment	Harvey's Casino	675.0	5.0x
04/16/01	Argosy Gaming	Joliet Empress	465.0	6.2x
10/18/00	Ameristar	Station Casino Missouri Casinos	475.0	5.8x
08/19/99	Harrah's Entertainment	Players International	425.0	4.6x
Median - Pre-2006 <sup>2</sup>			\$ 575.0	6.0x
Mean - All Transactions			1,661.6	9.0
Median - All Transactions			1,184.5	7.4

Source: SEC filings and Wall Street research

1. Forward EBITDA estimate for year of transaction if deal took place in first half of year; forward EBITDA for next calendar year if deal took place in second half of the year. Based on publicly available information  
 2. Offer withdrawn in July 2008



## Precedent Transaction Analysis (cont'd)

MOELIS &amp; COMPANY

### Summary implied total enterprise value calculation based on pro forma 2009E EBITDAR

- Moelis selected a multiple range of 6.0x to 7.0x
  - Pre-2006 Mid-Cap transactions that exclude Las Vegas Strip and Atlantic City had a median multiple of 6.0x
  - Precedent transactions universe for Mid-Cap transactions excluding Las Vegas Strip and Atlantic City had a median multiple of 7.4x
    - This median multiple off-sets the impact from the 2006 to 2007 period which was subject to transactions involving excessive leverage
  - The median multiples for all transactions in the universe was 9.0x

### SUMMARY PRECEDENT TRANSACTION VALUATION RANGE (\$ IN MILLIONS)

	Projection	Implied Multiple Range			Implied Greektown Range		
		Low	Mid	High	Low	Mid	High
Pro Forma 2009E EBITDAR	\$ 89.9	6.00x	6.50x	7.00x	\$ 539.7	\$ 584.6	\$ 629.6
<b>Implied Precedent Transaction Valuation</b>					<b>\$ 540.0</b>	<b>\$ 585.0</b>	<b>\$ 630.0</b>

### Implied Greektown Valuation Multiples

	Projection			
Pro Forma 2008A EBITDAR	\$ 71.1	7.6x	8.2x	8.9x
Pro Forma 2009E EBITDAR	89.9	6.0x	6.5x	7.0x

**EXHIBIT F**

**Historical Financial Results**



CONSOLIDATED FINANCIAL STATEMENTS

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)  
Years Ended December 31, 2008 and 2007  
With Report of Independent Auditors

Ernst & Young LLP



Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Consolidated Financial Statements

Years Ended December 31, 2008 and 2007

**Contents**

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## Report of Independent Auditors

To the Member of  
Greektown Holdings, L.L.C.

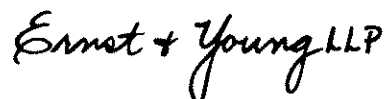
We have audited the accompanying consolidated balance sheets of Greektown Holdings, L.L.C. (Debtor-in-Possession and the "Company") as of December 31, 2008 and 2007, and the related consolidated statements of operations, member's deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Greektown Holdings, L.L.C. at December 31, 2008 and 2007, and the consolidated results of its operations and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

As discussed in the notes to the consolidated financial statements, on May 29, 2008, the Company filed for reorganization under Chapter 11 of the United States Bankruptcy Code. The accompanying consolidated financial statements do not purport to reflect or provide for the consequences of the bankruptcy proceedings. In particular, such consolidated financial statements do not purport to show (a) as to assets, their realizable value on a liquidation basis or their availability to satisfy liabilities; (b) as to pre-petition liabilities, the amounts that may be allowed for claims or contingencies, or the status and priority thereof; (c) as to equity accounts, the effect of any changes that may be made in the capitalization of the Company; or (d) as to operations, the effect of any changes that may be made in its business.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in the notes to the consolidated financial statements, the Company's ability to comply with the terms and conditions of the debtor-in-possession financing agreement; to obtain confirmation of a plan of reorganization under Chapter 11 of the United States Bankruptcy Code; to improve profitability; to generate sufficient cash flow from operations to satisfy liabilities as they come due; and to obtain additional financing to meet the Company's future obligations. These conditions raise substantial doubt about its ability to continue as a going concern. Management's plans concerning these matters are also described in the notes to the consolidated financial statements. The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the outcome of this uncertainty.



March 30, 2009

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Consolidated Balance Sheets

	<b>December 31</b>	
	<b>2008</b>	<b>2007</b>
	<i>(In Thousands)</i>	
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 24,032	\$ 19,251
Certificate of deposit	522	504
Accounts receivable – gaming, less allowance for doubtful accounts of \$2,417 and \$1,785 in 2008 and 2007, respectively	3,619	5,778
Accounts receivable – other, less allowance for doubtful accounts of \$166 and \$19 in 2008 and 2007, respectively	701	666
Notes receivable	2,370	–
Inventories	601	326
Prepaid expenses and other current assets	18,895	17,399
Total current assets	50,740	43,924
Property, building, and equipment, net	448,585	286,890
Other assets:		
Financing fees, net of accumulated amortization of \$10,450 and \$6,590 in 2008 and 2007, respectively	14,105	18,859
Casino development rights	–	128,808
Deposits and other assets	30	30
Notes receivable	–	2,250
Deferred Michigan business tax	1,236	1,236
Total assets	<b>\$ 514,696</b>	<b>\$ 481,997</b>

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Consolidated Balance Sheets

	December 31	
	2008	2007
	<i>(In Thousands)</i>	
<b>Liabilities and members' deficit</b>		
Current liabilities not subject to compromise:		
Current portion of long-term debt and notes payable	\$ —	\$ 448,297
Debtor-in-possession financing	130,134	—
Secured debt in default	313,966	—
Current portion of lawsuit settlement obligation	981	981
Accounts payable	25,299	28,197
Accrued interest	6,015	6,362
Notes payable	6,671	—
Fair value of interest rate swap agreements	—	9,367
Accrued expenses and other liabilities	20,323	9,442
Total current liabilities not subject to compromise	503,389	502,646
Current liabilities subject to compromise:		
Long-term debt and notes payable	185,000	—
Pre-petition payables	12,370	—
Pre-petition accrued interest	9,944	—
Accrued interest subject to compromise	11,601	—
Pre-petition amounts due to parent	1,350	—
Total current liabilities subject to compromise	220,265	—
Total current liabilities	723,654	502,646
Long-term liabilities not subject to compromise:		
Lawsuit settlement obligation, less current portion	11,322	11,569
Long-term payables due to City of Detroit and related entities	—	49,928
Obligation under capital lease	786	786
Deferred michigan business tax	3,911	1,236
Total long-term liabilities	16,019	63,519
Total liabilities	739,673	566,165
Members' deficit pre-petition	(70,006)	(84,168)
Members' deficit post-petition	(154,971)	—
Members' deficit	(224,977)	(84,168)
Total liabilities and members' deficit	\$ 514,696	\$ 481,997

*See accompanying notes.*

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Consolidated Statements of Operations

	<b>Year Ended December 31</b>	
	<b>2008</b>	<b>2007</b>
	<i>(In Thousands)</i>	
<b>Revenues</b>		
Casino	\$ 297,329	\$ 321,779
Food and beverage	11,862	13,959
Other	4,608	4,891
Total revenues	<u>313,799</u>	<u>340,629</u>
Less promotional allowances	27,070	25,982
Net revenues	<u>286,729</u>	<u>314,647</u>
<b>Operating expenses</b>		
Casino	77,953	83,449
Gaming taxes	83,116	89,596
Food and beverage	9,713	11,105
Marketing, advertising, and entertainment	5,549	7,389
Facilities	17,932	17,879
Depreciation and amortization	7,590	8,629
Bad debt	1,202	—
General and administrative expenses	39,674	43,269
Lease restoration expense	—	2,250
Michigan Single Business Tax	—	1,275
Other	651	371
Pre-opening expenses	828	—
Impairment of casino development rights	128,240	—
Operating expenses	<u>372,448</u>	<u>265,212</u>
(Loss) income from operations	<u>(85,719)</u>	<u>49,435</u>
<b>Other income (expense)</b>		
Interest expense	(38,629)	(37,052)
Amortization of finance fees and accretion of discount on senior notes	(10,252)	(3,680)
Interest income	235	735
Unrealized loss on interest rate swaps	(2,650)	(7,385)
Other	2	(63)
Total other expense	<u>(51,294)</u>	<u>(47,445)</u>
(Loss) income before reorganization costs and provisions for state income taxes	<u>(137,013)</u>	<u>1,990</u>
Chapter 11 related reorganization costs	(11,667)	—
Michigan business tax expense – current	(3,068)	—
Michigan business tax expense – deferred	(1,160)	—
Net (loss) income	<u>\$ (152,908)</u>	<u>\$ 1,990</u>

*See accompanying notes.*



Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Consolidated Statements of Members' Deficit

	<b>Kewadin Greektown Casino LLC</b>	<b>Monroe Partners LLC</b>	<b>Total Members' Deficit</b>
	<i>(In Thousands)</i>		
Balance at December 31, 2006	\$ (90,223)	\$ (30,935)	\$ (121,158)
Member contribution	35,000	-	35,000
Net income	995	995	1,990
Balance at December 31, 2007	(54,228)	(29,940)	(84,168)
Member contribution	12,099	-	12,099
Net loss	(76,454)	(76,454)	(152,908)
Balance at December 31, 2008	<u>\$ (118,583)</u>	<u>\$ (106,394)</u>	<u>\$ (224,977)</u>

*See accompanying notes.*

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Consolidated Statements of Cash Flows

	Year Ended December 31	
	2008	2007
	<i>(In Thousands)</i>	
<b>Operating activities</b>		
Net (loss) income	\$ (152,908)	\$ 1,990
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	7,590	8,629
Amortization of financing fees and accretion of discount on senior notes	10,252	3,680
Impairment of casino development rights	128,240	—
Deferred Michigan business tax	2,675	—
Unrealized loss on interest rate swaps	2,650	7,385
Changes in current assets and liabilities:		
Accounts receivable – gaming	2,159	(1,860)
Accounts receivable – other and notes receivable	(35)	(266)
Inventories	(275)	(37)
Prepaid expenses and other current assets	(1,496)	196
Notes receivables	(120)	—
Accounts payable:		
Pre-petition payables	12,370	3,373
Pre-petition amounts due to parent	1,350	—
Post-petition payables	(2,898)	—
Accrued expenses, interest, and other liabilities	20,062	4,274
Net cash provided by operating activities	<u>29,616</u>	<u>27,364</u>
<b>Investing activities</b>		
Capital expenditures	(169,285)	(105,091)
Payment for Casino development rights	—	(1,056)
Investment in certificate of deposit	(18)	(504)
Net cash used in investing activities	<u>(169,303)</u>	<u>(106,651)</u>
<b>Financing activities</b>		
Proceeds from borrowings on long-term debt and notes payable	181,907	42,572
Payments on long-term debt and note payable	(2,892)	(2,013)
Net payments on long-term debt and notes payable	(49,360)	—
Notes payable	6,671	—
Lawsuit settlement obligation payments	(247)	(233)
Financing fees paid	(3,710)	(2,490)
Proceeds from member contribution	12,099	35,000
Net cash provided by financing activities	<u>144,468</u>	<u>72,836</u>
Net increase (decrease) in cash and cash equivalents	4,781	(6,451)
Cash and cash equivalents at beginning of year	19,251	25,702
Cash and cash equivalents at end of year	<u>\$ 24,032</u>	<u>\$ 19,251</u>
<b>Supplemental disclosure of cash flow information</b>		
Cash paid during the year for interest	<u>\$ 29,851</u>	<u>\$ 45,135</u>
<b>Supplemental noncash activity</b>		
Conversion of accounts receivable – other to notes receivable	<u>\$ —</u>	<u>\$ 2,250</u>

See accompanying notes.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements

December 31, 2008

**1. Description of Business**

Greektown Holdings, L.L.C. (the Company) was formed in September 2005 as a limited liability company owned by Kewadin Greektown Casino, L.L.C. (Kewadin) and Monroe Partners, L.L.C. (Monroe) (see Note 8). The Company owns Greektown Casino, L.L.C. (Greektown Casino), which is engaged in the operation of a casino gaming facility in the City of Detroit, which opened November 10, 2000 under a license granted by the Michigan Gaming Control Board (MGCB), and the ongoing development of an expanded hotel/casino complex under the terms of a development agreement between Greektown Casino and the City of Detroit (Development Agreement).

On August 2, 2002, the City of Detroit approved revised development agreements for all three Detroit casino developers. Under the terms of its revised Development Agreement, Greektown Casino is continuing its development of a permanent hotel/casino complex containing hotel, parking, expanded gaming, and other amenities at its current site (the Expanded Complex).

**2. Summary of Significant Accounting Policies**

**Presentation and Basis of Accounting**

The accompanying consolidated financial statements present the financial position, results of operations and cash flows of Greektown Holdings, L.L.C. and its wholly owned subsidiaries – Greektown Holdings II, Inc., and Greektown Casino, L.L.C. and its wholly owned subsidiary, Trappers GC Partner, LLC and three nonoperating real estate subsidiaries.

On May 29, 2008 (the petition date), the Company filed a voluntary petition for reorganization (the Restructuring Proceedings) under Chapter 11 of the United States Bankruptcy Code (see Note 3). The accompanying consolidated financial statements have been prepared in accordance with AICPA Statement of Position 90-7 (SOP 90-7), *Financial Reporting by Entities in Reorganization Under the Bankruptcy Code*, and on a going-concern basis, which contemplates continuity of operations and realization of assets and liquidation of liabilities in the ordinary course of business. However, as a result of the Restructuring Proceedings, such realization of assets and liquidation of liabilities is uncertain. While operating as debtors-in-possession (DIP) under the protection of Chapter 11 of the Bankruptcy Code, and subject to approval of the Bankruptcy Court, the Company may sell or otherwise dispose of assets and liquidate or settle liabilities for amounts other than those reflected in the consolidated financial statements.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

SOP 90-7, which is applicable to companies in Chapter 11, generally does not change the manner in which financial statements are prepared. However, it does require that the financial statements for periods subsequent to the filing of the Chapter 11 petition distinguish transactions and events that are directly associated with the reorganization from the ongoing operations of the business. Revenues, expenses, realized gains and losses, and provisions for losses that can be directly associated with the reorganization and restructuring of the business must be reported separately as reorganization items in the statement of operations beginning in the period ended June 30, 2008. The balance sheet must distinguish pre-petition liabilities subject to compromise from both those pre-petition liabilities that are not subject to compromise and from post-petition liabilities. Liabilities that may be affected by a plan of reorganization must be reported at the amounts expected to be allowed, even if they may be settled for lesser amounts. In addition, reorganization items must be disclosed separately in the statement of cash flows. The Company adopted SOP 90-7 effective on May 29, 2008, and has segregated those items as outlined above for all reporting periods subsequent to such date.

The appropriateness of using the going-concern basis for the Company's financial statements is dependent upon, among other things: (i) the Company's ability to comply with the terms of the DIP credit facility and any cash management order entered by the Bankruptcy Court in connection with the Chapter 11 case; (ii) the ability of the Company to maintain adequate cash on hand; (iii) the ability of the Company to generate cash from operations; and (iv) the Company's ability to improve profitability.

As further described in Note 6, the Company has long-term obligations. These obligations have been classified as a current liability as a result of the filing for Chapter 11 bankruptcy protection under the United States Bankruptcy Code.

**Use of Estimates**

The preparation of the consolidated financial statements requires management of the Company to make estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include the carrying amount of property, building, and equipment, valuation allowances for receivables, tax obligations and certain other accrued liabilities. Actual results could differ from those estimates.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Revenues**

Greektown Holdings recognizes as Casino revenues the net win from gaming activities, which is the difference between gaming wins and losses.

**Promotional Allowances**

The retail value of food, beverage, and other complimentary items furnished to customers without charge is included in revenues and then deducted as promotional allowances. The estimated costs of providing such promotional allowances for the years ended December 31, 2008 and 2007, are as follows (in thousands):

	<b>December 31</b>	
	<b>2008</b>	<b>2007</b>
Casino	<b>\$ 23,400</b>	\$ 21,600
Food and beverage	<b>3,700</b>	4,400
	<b><u>\$ 27,100</u></b>	<u>\$ 26,000</u>

**Cash, Cash Equivalents, and Certificates of Deposit**

The Company considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents. Certificates of deposit represent cash deposits with maturities in excess of six months.

**Accounts Receivable and Allowance for Doubtful Accounts**

Accounts receivable – gaming consists primarily of gaming markers issued to casino patrons on the gaming floor. A marker is a voucher for a specified amount of dollars negotiable solely within Greektown Casino. Markers are recorded at issued value and do not bear interest. The allowance for doubtful accounts is Greektown Casino's best estimate of the amount of probable credit losses in Greektown Casino's existing accounts receivable. Greektown Casino determines the allowance based on historical write-off experience and review of returned gaming markers, past-due balances, and individual collection analysis. Account balances are charged off against the allowance after all reasonable means of collection have been exhausted and the potential for recovery is considered remote. Greektown Casino does not have any off-balance-sheet credit exposure related to its customers.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Advertising Expense**

The Company expenses costs associated with advertising and promotion as incurred. Advertising and promotion expense was approximately \$4,620,000 and \$5,541,000 for the years ended December 31, 2008 and 2007, respectively.

**Prepaid Expenses**

Prepaid expenses consist of payments made for items to be expensed over future periods. At December 31, 2008 and 2007, prepaid expenses include approximately \$12,333,000 and \$12,186,000, respectively, related to the annual gaming license and municipal service fees that will be expensed in subsequent periods.

**Inventories**

Inventories, consisting of food, beverage, and gift shop items, are stated at the lower of cost or market. Cost is determined by the first-in, first-out method.

**Property, Building, and Equipment**

Property, building, and equipment are stated at cost and are depreciated using the straight-line method over the estimated useful lives of the assets. Expenditures for repairs and maintenance are charged to expense as incurred and approximated \$584,000 and \$888,000 for the years ended December 31, 2008 and 2007, respectively. Depreciation and amortization expense includes amortization of assets recorded under capital leases.

**Reserve for Club Greektown**

Greektown Casino sponsors a players club (Club Greektown) for its repeat customers. Members of the club earn points for playing Greektown Casino's electronic video and table games. Club Greektown members may redeem points for cash. Club Greektown members may also earn special coupons or awards as determined by Greektown Casino. Greektown Casino expenses the cash value of points earned by club members and recognizes a related liability for any unredeemed points. Greektown Casino has adopted the provisions of Emerging Issues Task Force Consensus 01-9, *Accounting for Consideration Given by a Vendor to a Customer* (EITF 01-9). Accordingly, Greektown Casino has recognized the cash value of points earned as a direct reduction in casino revenue. For the years ended December 31, 2008 and 2007, this reduction totaled \$6,459,000 and \$7,151,000, respectively, and is deducted from casino revenue in the accompanying consolidated statement of operations.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Concentrations of Risk**

All nonmanagement positions are covered by collective bargaining agreements.

**Fair Value of Financial Instruments**

The carrying amount of cash and cash equivalents, certificates of deposit, accounts receivable, and accounts payable approximates fair value because of the short-term maturity of these instruments. The fair value of long-term debt, lawsuit settlement obligation, and long-term payables approximates their carrying value, as determined by the Company, using available market information.

**Financing Fees**

The Company has incurred certain financing costs in order to secure financing for its current casino and the Expanded Complex. These costs were capitalized and are being amortized over the term of the respective financing agreements. Capitalized financing fees, net of amortization, totaled \$14,105,000 and \$18,859,000 at December 31, 2008 and 2007, respectively. The amortization of these fees was \$8,464,000 and \$3,378,000 for the years ended December 31, 2008 and 2007, respectively.

**Income and Other Taxes**

A provision for federal income taxes is not recorded because, as a limited liability company, taxable income or loss is allocated to the members based on their respective ownership percentages in accordance with the Member Agreement (as defined elsewhere herein). The Company has state tax obligations in the state of Michigan under the Single Business Tax (repealed as of January 1, 2008) regime, which is not considered an income tax under the provisions of SFAS 109, *Accounting for Income Taxes*. On July 12, 2007, the Michigan legislature enacted the Michigan Business Tax (MBT) which is considered an income tax under the provisions of SFAS 109. Due to these changes, the enactment has resulted in the recording of both a deferred tax asset and a deferred tax liability. At December 31, 2008 and 2007, the deferred tax asset was \$1.2 million and \$1.2 million, respectively, and the deferred tax liability was \$3.9 million and \$1.2 million, respectively. The deferred tax asset is the result of future deductions allowed under the enactment provisions of the new law for the 2015 to 2029 tax years, whereas the deferred tax liability is the result of the enactment of the law and the liability resulting from the temporary differences related to capital acquisitions reversing in future periods. During the year ended December 31, 2008, the Company recorded a current provision for MBT of \$3,068,000 and a deferred provision of \$1,160,000.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Impairment or Disposal of Long-lived Assets**

The Company accounts for long-lived assets in accordance with the provisions of SFAS No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*. SFAS No. 144 requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell.

**Intangible Assets**

The Revised Development Agreement gives rise to an identifiable intangible asset that has been determined to have an indefinite life.

The Company complies with the provisions of SFAS No. 142, *Goodwill and Other Intangible Assets*. SFAS No. 142 provides guidance on how identifiable intangible assets should be accounted for upon acquisition and subsequent to their initial financial statement recognition. SFAS No. 142 requires that identifiable intangible assets with indefinite lives be capitalized and tested for impairment at least annually by comparing the fair values of those assets with their recorded amounts. In accordance with SFAS 142 the Company performs its impairment test as of October 1 of each year by comparing their estimated fair value to the related carrying value as of that date. We completed our annual impairment test and determined the Casino Development rights were impaired (see Note 5).

**Interest Costs**

The interest costs associated with debt incurred in connection with the construction of long-lived assets are capitalized until the project is complete, at which time the interest is amortized over the life of the related capitalized assets. The Company uses either the interest rate on the borrowing specific to the capital expenditure or a weighted-average interest rate on outstanding indebtedness. Interest costs capitalized were \$6,987,000 and \$7,199,000 for the years ended December 31, 2008 and 2007, respectively, in connection with the Expanded Complex.



Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Reclassification**

Certain prior year amounts have been reclassified to conform to the current year presentation.

**Recently Issued Accounting Pronouncements**

In September 2006, the FASB issued Statement of Financial Accounting Standards No. 157 (SFAS 157), *Fair Value Measurements*. SFAS 157 defines fair value, establishes a framework for measuring fair value in U.S. GAAP, and expands the disclosure requirements regarding fair value measurements. SFAS 157 does not introduce new requirements mandating the use of fair value. SFAS 157 defines fair value as “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.” The definition is based on an exit price rather than an entry price, regardless of whether the entity plans to hold or sell the asset. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The Company adopted SFAS 157 on January 1, 2008, as required for financial assets and financial liabilities. However, the FASB deferred the effective date of SFAS 157 for one year as it relates to fair value measurement requirements for nonfinancial assets and nonfinancial liabilities that are not recognized or disclosed at fair value on a recurring basis. The adoption of SFAS 157 related to financial assets and financial liabilities did not have a material impact on the Company’s consolidated financial statements. The Company is evaluating the effect the implementation of SFAS 157 for nonfinancial assets and nonfinancial liabilities will have on its consolidated financial statements.

In February 2007, the FASB issued Statement of Financial Accounting Standards No. 159 (SFAS 159), *The Fair Value Option for Financial Assets and Financial Liabilities, Including an amendment of FASB Statement No. 115*. SFAS 159 permits entities to choose, at specified election dates, to measure many financial instruments and certain other items at fair value that are not currently measured at fair value. Unrealized gains and losses on items for which the fair value option has been elected would be reported in earnings at each subsequent reporting date. SFAS 159 also establishes presentation and disclosure requirements in order to facilitate comparisons between entities choosing different measurement attributes for similar types of assets and liabilities. SFAS 159 does not affect existing accounting requirements for certain assets and liabilities to be carried at fair value. SFAS 159 is effective as of the beginning of a reporting entity’s first fiscal year that begins after November 15, 2007. The Company adopted SFAS 159 effective January 1, 2008. Upon adoption, the Company did not elect the fair value option for any terms within the scope of SFAS 159 and, therefore, the adoption of SFAS 159 did not have an impact on the Company’s consolidated financial statements.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

In March 2008, the FASB announced the issuance of Financial Accounting Standards No. 161 (SFAS 161), *Disclosures about Derivative Instruments and Hedging Activities*. The new standard amends Statement of Financial Accounting Standards No. 133, *Accounting for Derivative Instruments and Hedging Activities* (SFAS 133), and seeks to enhance disclosure about how and why a company uses derivative and hedging activities, how derivative instruments and related hedged items are accounted for under SFAS 133 (and the interpretations of that standard) and how derivatives and hedging activities affect a company's financial position, financial performance and cash flows. SFAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. Early application of the standard is encouraged, as well as comparative disclosures for earlier periods at initial adoption (although such comparative information is not required). The Company did not elect to early adopt SFAS 161.

**3. Petition for Relief Under Chapter 11**

On May 29, 2008 (the petition date), the Company filed voluntary petitions for reorganization (the Restructuring Proceedings) under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court, Eastern District of Michigan (the Bankruptcy Court). The Company sought protection under Chapter 11 of the United States Bankruptcy Code to allow the Company time to secure adequate funding to complete the construction project and to protect itself from a forced sale of Greektown Casino by the Michigan Gaming Control Board as provided in the Revised Development Agreement. The Restructuring Proceedings were initiated in response to the Company not meeting the loan covenants put in place by both the lenders and the Michigan Gaming Control Board. Curing these covenants would have required the equity owners of the Company to contribute capital far in excess of their financial strength. As a result, the Company sought protection under Chapter 11 to stay the potential forced sale, and allow it to obtain the financing required to preserve its going concern value for the benefit of all parties involved. On February 20, 2009, the Company amended and restated their DIP Credit Facility (see Note 6). The amended and restated credit facility requires the Company to satisfy the following exit milestones, as set forth below:

- (a) Submission of bidding procedures pursuant to the offering memorandum for the sale of the assets and operations of the Company by May 1, 2009;

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**3. Petition for Relief Under Chapter 11 (continued)**

- (b) By June 1, 2009, the Company shall have either (1) received all final bids from potential buyers or (2) filed a reorganization plan acceptable to the DIP Credit Facility lenders, the Prepetition Lenders with the Bankruptcy Court;
- (c) If the Company accepts a final bid, such final bid shall be filed with the Bankruptcy Court by June 15, 2009;
- (d) If a reorganization plan is filed with the Bankruptcy Court in accordance with (b) above, or files a final bid with the Bankruptcy Court in accordance with (c) above, and no event of default has occurred, the DIP Credit Facility termination date shall be extended from June 1, 2009 to September 1, 2009; and
- (e) The Company shall have either completed the sale of the Company's assets and operations or consummated a plan of reorganization by September 1, 2009.

Under Chapter 11, certain claims against the Company in existence prior to the filing of the petitions for relief under the federal bankruptcy laws are stayed while the Company continues business operations as DIP. These claims are reflected in the consolidated balance sheet as "pre-petition payables" and "pre-petition amounts due to related parties." These amounts represent the Company's estimate of known or potential prepetition claims and related post-petition interest to be resolved in connection with the Restructuring Proceedings. Such claims remain subject to future adjustments. Future adjustments may result from (i) negotiations; (ii) actions of the Bankruptcy Court; (iii) further developments with respect to disputed claims; (iv) rejection of executory contracts; (v) the determination as to the value of any collateral securing claims; (vi) proofs of claim; or (vii) other events. Payment terms for these claims will be established in connection with the Restructuring Proceedings.

Chapter 11 related reorganization expenses in the consolidated statement of operations consist of legal and financial advisory fees resulting from or related to the bankruptcy proceedings.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**3. Petition for Relief Under Chapter 11 (continued)**

The Company's unaudited results of operations from the petition date, May 29, 2008, to December 31, 2008, are presented below:

Revenues:	
Casino	\$ 164,311
Food and beverage	6,342
Other	2,668
Total revenues	<u>173,321</u>
Less promotional allowances	<u>16,822</u>
Net revenues	156,499
Operating expenses:	
Casino	44,741
Gaming taxes	46,049
Food and beverage	5,510
Marketing, advertising, and entertainment	2,907
Facilities	10,244
General and administrative expenses	23,069
Bad debt expense	1,202
Depreciation and amortization	4,312
Pre-opening expenses	828
Other	332
Impairment of casino development rights	128,240
Operating expenses	<u>267,434</u>
Loss from operations	(110,935)
Other income (expense)	
Interest expense	(23,097)
Amortization of finance fees	(8,683)
Interest income	131
Other non-operating income	2
Total other expense	<u>(31,647)</u>
Loss before reorganization costs and provision for state income taxes	(142,582)
Chapter 11 related reorganization costs	(9,537)
Michigan business tax expense – current	(806)
Michigan business tax expense – deferred	(2,046)
Net loss	<u><u>\$ (154,971)</u></u>

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**4. Property, Building, and Equipment**

Property, building, and equipment and related depreciable lives as of December 31, 2008 and 2007, were as follows (in thousands):

	Amount		Depreciable Lives
	2008	2007	
Land	\$ 104,391	\$ 104,391	–
Gaming building and improvements	136,865	77,770	3–35 years
Gaming equipment and furnishings	59,772	57,558	3–5 years
Nongaming buildings and improvements	70,968	67,060	39 years
Nongaming office furniture and equipment	28,208	20,641	5–7 years
Construction in progress	183,910	87,409	–
	<u>584,114</u>	<u>414,829</u>	
Less accumulated depreciation and amortization	135,529	127,939	
Property, building, and equipment, net	<u>\$ 448,585</u>	<u>\$ 286,890</u>	

Certain costs incurred relate to the development and construction of the Expanded Complex, in accordance with the terms of the Revised Development Agreement. These costs are capitalized, and depreciation shall commence once the Expanded Complex opens.

**5. Casino Development Rights and Impairment**

In accordance with the Revised Development Agreement, Greektown Casino is authorized to own and operate on a permanent basis, within certain boundaries in the City of Detroit, a casino complex containing specified amenities. Under the terms of the Revised Development Agreement:

- (a) Greektown Casino agreed to pay the City of Detroit \$44 million in installment payments (installment payments), and contributed certain investment assets.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**5. Casino Development Rights and Impairment (continued)**

- (b) Greektown Casino was required to maintain standby letters of credit, totaling \$49,360,000, to secure principal and interest payments on certain bonds issued by the Economic Development Corporation of the City of Detroit (EDC); however, these letters of credit were called by the EDC in June 2008 as a result of the Chapter 11 Bankruptcy filing (see Note 12).
- (c) Greektown Casino signed an indemnity agreement with the City of Detroit and the EDC with respect to certain matters. Payments made under this indemnity agreement plus liabilities accrued, resulted in capitalizing costs of \$32,047,000 at December 31, 2008 and 2007. This amount includes the costs to settle a lawsuit as more fully described in Note 13.
- (d) Greektown Casino contributed to the City of Detroit its one-third interest, with a cost basis of \$2,833,000, in Jefferson Casino, LLC.

The installment payments, EDC payments, payments under the indemnity agreement and lawsuit settlement, and the contribution of the ownership interest in Jefferson Holdings, LLC give rise to an identifiable intangible asset, Casino Development Rights, in the amount of \$128,240,000, which under the terms of the Development Agreement, have an indefinite life.

Goodwill and indefinite-lived intangible assets must be reviewed for impairment at least annually or more frequently if impairment indicators are present. The Company performs its annual impairment test for Casino Development Rights as of October 1 of each fiscal year. In the fourth quarter of 2008, the Company determined that the general decline in consumer spending as a result of the deteriorating economic conditions in the United States and the resulting impact on the gaming markets negatively affected the Company's projected results of operations. Given the current uncertainties in the gaming markets, coupled with the Company's bankruptcy filing, management has determined that the Casino Development Rights of the Company have been impaired. Accordingly, during the fourth quarter of 2008, the Company impaired this asset in its entirety based on a discounted cash flow analysis. As a result, the company recorded an impairment charge of \$128,240,000 in the statement of operations for the year ended December 31, 2008.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**6. Long-Term Debt, Notes Payable, and Debtor in Possession Financing**

The Company entered into a financing agreement on December 2, 2005 to finance the payment for Greektown Casino's existing credit facilities that were expiring. Also effective December 2, 2005, the Company's existing five-year revolving credit facilities (including letter-of-credit facilities) were increased to \$125,000,000, expiring December 2010. The funds received by the Company under these credit facilities were advanced to Greektown Casino under the following terms, which are similar to those contained in the Company's agreements with its lender:

- Seven-year maturity for the original long-term indebtedness and five-year maturity for revolving credit facility.
- Quarterly amortization of \$475,000, beginning on December 31, 2006 through December 31, 2011; thereafter, quarterly amortization payments of one-fourth the remaining outstanding amount for each of the four quarters beginning on March 31, 2012. As a result of the bankruptcy filing, these amortization payments have been stayed.
- Interest payments are payable monthly or quarterly, at a rate equal to, at the Company's option: (i) for a base rate loan, (a) the greater of (I) the rate of interest then most recently established by the administrative agent (Merrill Lynch Capital Corporation) in New York, New York, as its base rate for U.S. dollars loaned in the United States, and (II) the federal funds rate plus 0.50%, plus (b) a margin based on the ratio of total net senior debt to Earnings Before Interest Taxes Depreciation and Amortization (EBITDA) (1.50% or 1.75%) or (ii) for a LIBOR loan, LIBOR plus a margin based on the ratio of total net senior debt to EBITDA (2.50% or 2.75%). The margins mentioned above have been increased by 2.00% as a result of the bankruptcy filing.
- Interest rate swap agreement, with a notional amount of \$70,000,000, as more fully described below.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**6. Long-Term Debt, Notes Payable, and Debtor in Possession Financing (continued)**

The funds received and outstanding from the financing agreement are considered secured debt in default. As of December 31, 2008, outstanding secured debt in default, along with the interest rates associated with such funds, consists of the following:

Amount of Obligation	Rate of interest	Rate of Interest at December 31, 2008
<i>(In Thousands)</i>		
\$ 157,958	BASE RATE + 3.250% payable quarterly	7.00%
31,542	BASE RATE + 3.250% payable quarterly	7.00%
124,466	BASE RATE + 3.000% payable quarterly	6.75%
<u>\$ 313,966</u>		

At December 31, 2007, the Company's debt and notes payable consisted of a term loan of \$158,433, incremented term loan of \$31,580, revolving credit facility of \$75,072 and unsecured debt of \$183,212. The entire balance of outstanding debt at December 31, 2007, of \$448,297 was recorded in current liabilities.

On June 9, 2008, the Company entered into a \$150,000,000 DIP Credit Facility in order to finance the remainder of the Expanded Complex; the DIP Credit Facility includes a Delayed Draw Term Loan Agreement for \$135,000,000 and a revolving credit facility for \$15,000,000. There are strict guidelines as to how these funds can be used and must be approved and monitored by the U.S. Trustee as well as the MGCB. The funds from the Delayed Draw Term Loan facility can only be used for construction related costs, while the funds from the revolving credit facility may be used to pay operational and construction related expenses. At December 31, 2008, the Company had \$19,866,000 available under the DIP Credit Facility. The DIP Credit Facility was amended and restated on February 20, 2009 (amended DIP Credit Facility). The Amended DIP Credit Facility provides up to an additional \$46 million in two Delayed Draw Term Loans. There are strict guidelines as to how these funds can be used and must be approved and monitored by the U.S. Trustee as well as the MGCB. Of the funds received from the Amended DIP Credit Facility, \$26 million of the facility can only be used for construction related expenses, while up to \$20 million of the facility may be used to pay operational and construction related expenses. In addition to providing additional borrowings, the Amended DIP Credit Facility adjusted the rate of interest on the Delayed Draw Term Loan



Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**6. Long-Term Debt, Notes Payable, and Debtor in Possession Financing (continued)**

and revolving credit facility as provided by the original DIP Credit Facility from the Base Rate plus 5.25% per annum to the Base Rate plus 7.25% per annum. The interest rate applicable to the additional Delayed Draw Term Loan is the Base Rate plus 5.25%. The Amended DIP Credit Facility restated the covenant requirements which the Company must comply with under the terms of the agreement.

As of December 31, 2008, the Company's obligations, as they relate to the DIP Credit Facility, and the interest rates on these obligations are as follows:

Amount of Obligation	Rate of interest	Rate of Interest at December 31, 2008
<i>(In Thousands)</i>		
\$ 115,134	BASE + 5.25% payable monthly	8.500%
15,000	BASE + 5.25% payable monthly	8.500%
\$ 130,134		

The DIP Credit Facility contains covenants including limitations on additional indebtedness, capital expenditures, mergers or acquisitions, dispositions of assets, loans and advances, and transactions with affiliates. Further, the Agreement requires the Company to maintain specific financial ratios including monthly minimum earnings before interest, taxes, depreciation, amortization, and restructuring costs (EBITDAR), as defined in the DIP Credit Facility. At December 31, 2008, the Company was in violation of the EBITDAR covenant and the violation was waived as part of the amended DIP Credit Facility.

As security for the term loan and any amounts owing under the revolving credit facility, the Company has pledged its 100% equity interest in Greektown Casino. Further, Greektown Casino also assigned a security interest in all of its assets as collateral for the above agreements, and has guaranteed repayment of these borrowings.

Except as permitted under the terms of the loan and other credit facilities (i.e., revolver, DIP and letter of credit) the Company will not be permitted to incur any other indebtedness.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**6. Long-Term Debt, Notes Payable, and Debtor in Possession Financing (continued)**

***Unsecured Debt***

The Company also borrowed \$185,000,000 in December 2005 under an unsecured note arrangement to finance its operations and meet its liability and equity commitments. The maturity date of the note is December 1, 2013. As a result of the Chapter 11 filing the notes became unsecured pre-petition liabilities subject to compromise and the balance outstanding at December 31, 2007 is recorded in current liabilities.

Holdings used derivative financial instruments to manage well-defined interest rate risks. These financial instruments were terminated as a result of the Chapter 11 filing. On the date of termination; the liabilities under the swap agreements became fixed at \$9,270,000 related to the \$195 million interest rate swap agreement and \$2,750,000 related to the \$70 million interest rate swap agreement, at December 31, 2007. The total liability outstanding under the swap was \$9,367,000. These liabilities are recorded by the Company and is recorded in accrued expenses and other liabilities and monthly interest payments are required at an 8.5% interest rate.

**7. Leases**

Greektown Casino has entered into several noncancelable operating leases, primarily for warehouse space and equipment. Rental expense under these agreements for the years ended December 31, 2008 and 2007, was \$423,000 and \$2,662,000, respectively. Greektown Casino also subleases certain portions of its owned or leased facilities under noncancelable operating leases. Rental income under these leases for the years ended December 31, 2008 and 2007, was \$660,000 and \$778,000, respectively. In addition, during 2007 Greektown Casino entered into a settlement agreement with the lessor of a parking garage whereby Greektown Casino agreed to pay \$2.25 million related to lease restoration costs; this amount was recorded as an expense during 2007, and the related liability is recorded in accrued expenses and other liabilities at December 31, 2008 and 2007.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**7. Leases (continued)**

At December 31, 2008, future minimum rental payments required under noncancelable operating leases, including related party leases, with initial or remaining lease terms in excess of one year and lease and sublease income were as follows:

	<b>Capital Lease Payments</b>	<b>Operating Lease Payments</b>	<b>Lease and Sublease Income</b>
<i>(In Thousands)</i>			
Quarter ending December 31:			
2009	\$ 336	\$ 23	\$ 531
2010	336	—	441
2011	336	—	368
2012	336	—	259
2013	336	—	251
Thereafter	7,700	—	2,140
	9,380	\$ 23	\$ 3,990
Less amount representing interest	8,594		
Present value of net minimum capital lease payments	786		
Less current installments of obligation under a capital lease	—		
	\$ 786		

Certain of the leases include escalation clauses relating to the consumer price index, utilities, taxes, and other operating expenses. Greektown Casino will receive additional rental income in future years based on those factors that cannot be estimated currently.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**8. Related-Party Transactions**

The Company and Greektown Casino have entered into certain business transactions with individuals or entities related to the ownership of direct or indirect member interests. Under the provisions of their internal control system, expenditures to any one related party in excess of \$50,000 annually must be approved by the Company's management board. For the years ended December 31, 2008 and 2007, payments to related parties, other than financing-related activities and member distributions, totaled approximately \$2,136,000 and \$784,000, respectively.

Greektown Casino has also entered into a management services agreement with the Sault Ste. Marie Tribe of Chippewa Indians (the Tribe), a related entity to Kewadin, Monroe, and the Company, which requires the Greektown Casino to pay a base management fee of \$110,000 per month, as well as reimbursement of travel, lodging, and out-of-pocket expenses incurred and all reasonable salary costs and fringe benefit expenses of key personnel who are providing such contracted services. The base fee and fee cap shall be adjusted annually to reflect any change in the consumer price index. This agreement may be terminated by Greektown Casino upon 90 days prior written notice, by the Tribe upon 30 days prior written notice, or by mutual agreement of the parties. As a result of the Chapter 11 filing and the DIP Credit Facility these payments are no longer allowable; however, the pre-petition amount owed to the Tribe as of December 31, 2008 is \$550,000.

Accounts receivable – other includes \$298,000 as of December 31, 2008 and 2007, for the amounts due from Monroe, a member of the Company. In addition, there is an outstanding note receivable of \$2,000,000 at December 31, 2008 and 2007 which matures on March 31, 2009. This note bears interest of 6% of which \$370,000 was earned through December 31, 2008.

**9. Member's Deficit**

When it was formed in September 2005, Holdings' interest in Greektown Casino was transferred to Holdings by the two owners. Consistent with their former ownership interests in Greektown Casino, Kewadin and Monroe each own a 50% interest in Holdings. The transactions involving a substitution of Holdings for the members' interests in Greektown Casino have been considered as transactions between common control entities, and therefore have been accounted for at carrying value.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**9. Member's Deficit (continued)**

As part of this ownership transaction, the member agreement among Kewadin, Monroe, and Greektown Holdings became the member agreement among Kewadin, Monroe, and the Company.

Kewadin and Monroe were required to make installment payments to former members of Monroe on or prior to November 10, in the specified years: (i) \$19.3 million in 2008; and (ii) \$18.0 million in 2009. As a result of the Chapter 11 filing, these amounts have become unsecured pre-petition liabilities.

During the year ended December 31, 2008 and 2007, a member of the Company made equity contributions totaling \$12,100,000 and \$35,000,000 respectively, to the Company. These 2008 contributions were made in the first and second quarter and all contributions were made before the Chapter 11 filing.

**10. Gaming Taxes and Fees**

Under the provisions of the Michigan Gaming Control and Revenue Act (the Act), casino licensees are subject to the following gaming taxes and fees on an ongoing basis:

- An annual licensing fee;
- An annual payment, together with the other two casino licensees, of all MGCB regulatory and enforcement costs. Greektown Casino was assessed \$10,003,000 and \$9,826,000 for its portion of the annual payment for the years ended December 31, 2008 and 2007, respectively;
- A wagering tax, calculated based on adjusted gross gaming receipts, payable daily, of 24%. The amended Act also provides for certain increases in the wagering tax if Greektown Casino's Expanded Complex facilities are not operational from and after July 1, 2009, and a reduction in that tax once they are operational; and
- A municipal services fee in an amount equal to the greater of 1.25% of adjusted gross gaming receipts or \$4 million annually.

These gaming taxes and fees are in addition to the taxes, fees, and assessments customarily paid by business entities conducting business in the State of Michigan and the City of Detroit, and amounted to \$83,116,000 and \$89,596,000 for the years ended December 31, 2008 and 2007, respectively.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**10. Gaming Taxes and Fees (continued)**

Effective January 1, 2006, the Company is also required to pay a daily fee to the City of Detroit in the amount of 1% of adjusted gross receipts, increasing to 2% of adjusted gross receipts if adjusted gross receipts exceed \$400 million in any one calendar year. Additionally, if and when adjusted gross receipts exceed \$400 million, the Company will be required to pay \$4 million to the City of Detroit. The Company's adjusted gross receipts did not exceed \$400 million during the calendar year 2008 or 2007.

On December 11, 2007, the Company entered into an Acknowledgement of Violation (AOV) with the Michigan Gaming Control Board. The AOV included four complaints addressing procurement, kiosks, electronic gaming device meters, and signage. Under the terms of the AOV, a total fine of \$750,000 was assessed, of which \$300,000 was immediately payable and \$450,000 is being held in abeyance for three years provided that the Company does not commit further violations. If the Company commits no further violations within the six-year period, the fine held in abeyance will be forgiven. The Company recorded the \$300,000 as expense during 2007. The remaining amount has not been recorded as no further violations occurred during the year ended December 31, 2008.

**11. Commitments and Contingencies**

Millennium Management Group LLC (Millennium) was previously retained to provide the Company with certain consulting services related to the operation of the casino for a period through November 30, 2010, \$1 million was paid for the year ended December 31, 2007 under the terms of this agreement. During 2008, a motion was filed with the U.S. Bankruptcy Court to reject the contract and the motion was granted by the bankruptcy judge.

The Company continues to enter into several agreements with various vendors providing goods and services related to the development of the Expanded Complex. As of December 31, 2008, commitments related to construction of the Expanded Complex amounted to approximately \$46 million (\$148 million at December 31, 2007).

The Company is a defendant in various pending litigation. In management's opinion, the ultimate outcome of such litigation will not have a material adverse effect on the results of operations or the financial position of the Company.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**11. Commitments and Contingencies (continued)**

Under the Revised Development Agreement, the Company has signed a Guaranty and Keep Well Agreement, whereby the Company agreed to certain conditions and performance obligations related to construction of the Expanded Complex and casino operations. The Revised Development Agreement also provides that should a triggering event as defined, occur, the Company may sell its assets, business, and operations as a going concern at their fair market value to a developer named by the City of Detroit.

**12. Long-Term Payables to City of Detroit**

Under the original Development Agreement among the Company, the City of Detroit, and the EDC, the Company was required to provide letters of credit (LOCs) to support certain bonds issued by the EDC in connection with the acquisition and development of a proposed permanent casino site. Under the Revised Development Agreement, the Company was required to maintain its standby LOCs, totaling \$49,928,000, recorded as a long-term payable for the year ended December 31, 2007, to secure principal and interest payments on certain bonds issued by the EDC; however, the LOCs were redeemed as a result of the Chapter 11 Bankruptcy filing. On June 12, 2008, the EDC redeemed the LOCs for a total amount of \$49,393,000 of which \$49,360,000 was the payment of the principal amount and the \$33,000 was accrued interest through eleven (11) days of June. Due to the redemption of the LOCs, the long-term payable to the City of Detroit recorded on the Company's balance sheet was effectively converted to debt due to Holdings. The proceeds of the bonds were used to acquire land along the Detroit River, where the permanent casino facilities were initially proposed to be located. Under the Revised Development Agreement, the Company and the other Detroit casino developers will forgo their right to receive any of the land.

Greektown Holdings, L.L.C.  
(Debtor-In-Possession)

Notes to Consolidated Financial Statements (continued)

**13. Lawsuit Settlement Obligation**

A settlement agreement was reached in various lawsuits that were filed challenging the constitutionality of the Casino Development Competitive Selection Process Ordinance. As of December 31, 2008, payments totaling \$17 million have been made against this settlement obligation. Additional payments required under the agreement include \$1 million (inclusive of interest) annually for the next 24 years through 2031. As of December 31, 2008, the lawsuit settlement obligation consisted of the following:

	2008	2007
	<i>(In Thousands)</i>	
Total lawsuit settlement obligation	\$ 40,000	\$ 40,000
Less payments made to date	<u>(17,000)</u>	<u>(16,000)</u>
Lawsuit settlement obligation to be paid	23,000	24,000
Less imputed interest at 6%	<u>(10,697)</u>	<u>(11,450)</u>
Amounts to be paid, at present value	12,303	12,550
Current portion at present value	<u>(981)</u>	<u>(981)</u>
Lawsuit obligation at present value, less current portion	<u>\$ 11,322</u>	<u>\$ 11,569</u>

**14. 401(k) Plan**

Salaried employees of the Company can participate in a 401(k) Plan (the Plan) whereby Greektown Casino matches a certain percentage of the employees' contribution. For union employees, Greektown Casino shall make contributions to the Plan based on years of service. The total payments made and expense recognized under the Plan by the Company for the years ended December 31, 2008 and 2007, amounted to \$1,969,000 and \$2,178,000, respectively.



**CONSOLIDATED FINANCIAL STATEMENTS**

**Greektown Holdings, L.L.C.  
Years Ended December 31, 2007 and 2006  
With Report of Independent Auditors**

Greektown Holdings, L.L.C.

Consolidated Financial Statements

Years Ended December 31, 2007 and 2006

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## Independent Auditors' Report

The Members  
Greektown Holdings, L.L.C.

We have audited the accompanying consolidated balance sheet of Greektown Holdings, L.L.C. (the Company) as of December 31, 2007, and the related consolidated statement of income, members' deficit, and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The financial statements of Greektown Holdings, L.L.C. for the year ended December 31, 2006 were audited by other auditors whose report dated March 21, 2007, expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Greektown Holdings, L.L.C. and subsidiaries as of December 31, 2007, and the consolidated results of their operations and their cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

The accompanying financial statements have been prepared assuming Greektown Holdings, L.L.C. will continue as a going concern. As more fully described in Note 2, as of December 31, 2007, the Company was not in compliance with certain covenants of its loan agreements. The Company received a limited waiver of its covenant violations through the June 30, 2008 measurement date. This waiver requires among other things, the consummation of an equity contribution in 2008. Also the waiver does not extend beyond the June 30, 2008 covenant measurement date. Currently the Company projects that it will violate its existing covenants subsequent to the June 30, 2008 measurement date. As a result of the existing and projected covenant violations, which could result in all outstanding debt obligations being currently due in 2008, the Company's outstanding debt has been classified as current liabilities at December 31, 2007. Also the Company estimates that as of December 31, 2007, it will need along with the use of projected cash from operations of \$58 million, approximately \$90 million of additional borrowings or equity contributions to complete its Expanded Complex. There can be no assurance that the equity contribution will be consummated in 2008, that the Company will be able to comply with its debt covenants or obtain revised covenants in 2008, or that additional financing will be available, or that, if available such financing will be on terms favorable or acceptable to the Company. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The December 31, 2007 financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classifications of assets or the amounts and classifications of liabilities that may result from the outcome of this uncertainty.



April 1, 2008

A member firm of Ernst & Young Global Limited

Greektown Holdings, L.L.C.

Consolidated Balance Sheets

	<b>December 31</b>	
	<b>2007</b>	<b>2006</b>
	<i>(In Thousands)</i>	
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 19,251	\$ 25,702
Certificate of deposit	504	-
Accounts receivable – gaming, less allowance for doubtful accounts of \$1,785 and \$367 in 2007 and 2006, respectively	5,778	3,895
Accounts receivable – other, less allowance for doubtful accounts of \$19 in 2007 and 2006	666	2,672
Inventories	326	289
Prepaid expenses and other current assets	17,399	17,595
<b>Total current assets</b>	<b>43,924</b>	<b>50,153</b>
 Property, building, and equipment, net	 286,890	 189,642
 <b>Other assets:</b>		
Financing fees, net of accumulated amortization of \$6,590 and \$3,217 in 2007 and 2006, respectively	18,859	19,746
Casino development rights	128,808	127,752
Deposits and other assets	30	30
Notes receivable	2,250	-
Deferred Michigan Business Tax	1,236	-
<b>Total assets</b>	<b>\$ 481,997</b>	<b>\$ 387,323</b>

Greektown Holdings, L.L.C.

Consolidated Balance Sheets

	<b>December 31</b>	
	<b>2007</b>	<b>2006</b>
	<i>(In Thousands)</i>	
<b>Liabilities and members' deficit</b>		
Current liabilities:		
Current portion of long-term debt and notes payable	\$ 448,297	\$ 1,900
Current portion of lawsuit settlement obligation	981	981
Accounts payable	28,197	23,984
Accrued interest	6,362	5,835
Fair value of interest rate swap agreements	9,367	1,785
Accrued expenses and other liabilities	9,442	6,731
Total current liabilities	<u>502,646</u>	<u>41,216</u>
Long-term debt and notes payable, less current portion	—	405,535
Lawsuit settlement obligation, less current portion	11,569	11,802
Long-term payables due to City of Detroit and related entities	49,928	49,928
Obligation under capital lease	786	—
Deferred Michigan Business Tax	1,236	—
Total long-term liabilities	<u>63,519</u>	<u>467,265</u>
Total liabilities	<u>566,165</u>	<u>508,481</u>
Members' deficit	<b>(84,168)</b>	<b>(121,158)</b>
Total liabilities and members' deficit	<u><u>\$ 481,997</u></u>	<u><u>\$ 387,323</u></u>

*See accompanying notes.*

Greektown Holdings, L.L.C.

Consolidated Statements of Income

	<b>Year Ended December 31</b>	
	<b>2007</b>	<b>2006</b>
	<i>(In Thousands)</i>	
<b>Revenues</b>		
Casino	\$ 321,779	\$ 330,056
Food and beverage	13,959	16,235
Other	4,891	4,975
Total revenues	<u>340,629</u>	<u>351,266</u>
Less promotional allowances	25,982	22,053
Net revenues	<u>314,647</u>	<u>329,213</u>
<b>Operating expenses</b>		
Casino	83,449	84,727
Gaming taxes	89,596	89,590
Food and beverage	11,105	11,020
Marketing, advertising, and entertainment	7,389	6,784
Facilities	17,879	16,772
General and administrative expenses	43,269	42,964
Lease restoration expense	2,250	-
Michigan Single Business Tax	1,275	1,600
Other	371	328
Operating expenses	<u>256,583</u>	<u>253,785</u>
Depreciation and amortization	8,629	8,790
Income from operations	<u>49,435</u>	<u>66,638</u>
<b>Other income (expense)</b>		
Interest expense	(37,052)	(38,746)
Amortization of finance fees and accretion of discount on senior notes	(3,680)	(3,278)
Interest income	735	650
Unrealized loss on interest rate swaps	(7,385)	(1,785)
Other	(63)	75
Total other expense	<u>(47,445)</u>	<u>(43,084)</u>
Net income	<u>\$ 1,990</u>	<u>\$ 23,554</u>

*See accompanying notes.*

Greektown Holdings, L.L.C.

Consolidated Statements of Members' Deficit

	<b>Kewadin Greektown Casino LLC</b>	<b>Monroe Partners LLC</b>	<b>Total Members' Deficit</b>
	<i>(In Thousands)</i>		
Balance at December 31, 2005	\$ (99,500)	\$ (38,962)	\$ (138,462)
Member distributions	(2,500)	(3,750)	(6,250)
Net income	11,777	11,777	23,554
Balance at December 31, 2006	(90,223)	(30,935)	(121,158)
Member contribution	<b>35,000</b>	-	<b>35,000</b>
Net income	995	995	1,990
Balance at December 31, 2007	<b>\$ (54,228)</b>	<b>\$ (29,940)</b>	<b>\$ (84,168)</b>

*See accompanying notes.*

Greektown Holdings, L.L.C.

Consolidated Statements of Cash Flows

	Year Ended December 31	
	2007	2006
	<i>(In Thousands)</i>	
<b>Operating activities</b>		
Net income	\$ 1,990	\$ 23,554
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	8,629	8,790
Amortization of financing fees and accretion of discount on senior notes	3,680	3,278
Unrealized loss on interest rate swaps	7,385	1,785
Changes in current assets and liabilities:		
Accounts receivable – gaming	(1,860)	427
Accounts receivable – other and notes receivable	(266)	(1,435)
Inventories	(37)	(4)
Prepaid expenses and other current assets	196	(5,338)
Accounts payable	3,373	17,051
Accrued expenses, interest, and other liabilities	4,274	(2,343)
Net cash provided by operating activities	27,364	45,765
<b>Investing activities</b>		
Capital expenditures	(105,091)	(80,494)
Payment for Casino development rights	(1,056)	–
Investment in certificate of deposit	(504)	–
Net cash used in investing activities	(106,651)	(80,494)
<b>Financing activities</b>		
Proceeds from borrowings on long-term debt and notes payable	42,572	–
Payments on long-term debt and note payable	(2,013)	–
Net proceeds from long-term debt and notes payable	–	34,525
Lawsuit settlement obligation payments	(233)	(5,750)
Financing fees paid	(2,490)	(701)
Member distributions paid	–	(6,250)
Proceeds from member contribution	35,000	–
Net cash provided by financing activities	72,836	21,824
Net decrease in cash and cash equivalents	(6,451)	(12,905)
Cash and cash equivalents at beginning of year	25,702	38,607
Cash and cash equivalents at end of year	\$ 19,251	\$ 25,702
<b>Supplemental disclosure of cash flow information</b>		
Cash paid during the year for interest	\$ 45,135	\$ 37,314
<b>Supplemental noncash activity</b>		
Conversion of accounts receivable – other to notes receivable	\$ 2,250	\$ –

See accompanying notes.



# Greektown Holdings, L.L.C.

## Notes to Consolidated Financial Statements

Years Ended December 31, 2007 and 2006

### **1. Description of Business**

Greektown Holdings, L.L.C. (the Company) was formed in September 2005 as a limited liability company owned by Kewadin Greektown Casino, L.L.C. (Kewadin) and Monroe Partners, L.L.C. (Monroe) (see Note 8). The Company owns Greektown Casino, L.L.C. (Greektown Casino), which is engaged in the operation of a casino gaming facility in the City of Detroit, which opened November 10, 2000 under a license granted by the Michigan Gaming Control Board (MGCB), and the ongoing development of an expanded hotel/casino complex under the terms of a development agreement between Greektown Casino and the City of Detroit (Development Agreement).

On August 2, 2002, the City of Detroit approved revised development agreements for all three Detroit casino developers. Under the terms of its revised Development Agreement, Greektown Casino is continuing its development of a permanent hotel/casino complex containing hotel, parking, expanded gaming, and other amenities at its current site (the Expanded Complex).

### **2. Summary of Significant Accounting Policies**

#### **Presentation and Basis of Accounting**

The accompanying consolidated financial statements present the financial position, results of operations and cash flows of Greektown Holdings, L.L.C. and its wholly owned subsidiaries – Greektown Holdings II, Inc., and Greektown Casino, L.L.C. and its wholly owned subsidiary, Trappers GC Partner, LLC and three nonoperating real estate subsidiaries.

The consolidated financial statements are presented using the accrual basis of accounting. All significant intercompany balances have been eliminated in consolidation.

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and the amount and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

## Greektown Holdings, L.L.C.

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

The Company has been granted a limited waiver related to certain covenant violations under its various loan agreements (see Note 5) which requires the consummation of an equity contribution in 2008, as well as requiring MGCB approval of the waiver. Also in connection with the MGCB's approval of the Company's indebtedness, the Company is required to comply with certain financial covenants established by MGCB. The Company was not in compliance with these covenants at December 31, 2007. The Company has until April 30, 2008 to cure the covenant violations or receive a waiver from the MGCB. If the violations are not cured or a waiver is not provided by MGCB, MGCB could require the Company to sell Greektown Casino.

The Company projects it will violate its existing covenants subsequent to the June 30, 2008 measurement date. As a result of the existing and projected covenant violations, which could result in all outstanding debt obligations being currently due in 2008, the Company's outstanding debt has been classified as current liabilities at December 31, 2007. Uncertainty over the Company's ability to comply with the limited waiver of its existing and projected covenant violations, uncertainty over the Company's ability to comply with its covenants in measurement periods subsequent to June 30, 2008, which could result in the acceleration of the required payment of the Company's debt obligations, and the uncertainty concerning its covenant violations with MGCB, which could result in the Company being required to sell Greektown Casino, raises substantial doubt about the Company's ability to continue as a going concern.

In addition, as of December 31, 2007, the Company estimates that the cost to complete the Expanded Complex will be approximately \$148 million. The Company estimates that it will need approximately \$90 million of additional borrowings or equity contributions in addition to using \$58 million of cash generated from operations to meet its cash requirements to complete the Expanded Complex. There can be no assurance that additional financing, if needed, will be available, or that, if available, the financing will be on terms favorable to the Company. In addition, there is no assurance that management's estimate of future cash needs and cash to be generated from operations is accurate or that unforeseen events will not occur, resulting in the need to raise additional funds.

The Company expects to meet its future cash requirements through a combination of cash generated from operations, existing cash balances and future borrowings or equity contributions. If necessary, the Company will seek additional waivers of financial covenants under existing credit agreements and its agreement with MGCB. The Company's continuation as a going concern is ultimately dependent upon its future financial performance, which will be affected by general economic, competitive and other factors, many of which are beyond the Company's control. There can be no assurance that the Company's plans to ensure continuation as a going concern will be successful.

## Greektown Holdings, L.L.C.

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

##### Use of Estimates

The preparation of the consolidated financial statements requires management of the Company to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include the carrying amount of property, building, and equipment and valuation allowances for receivables. Actual results could differ from those estimates.

##### Casino Revenues

Greektown Casino recognizes as casino revenues the net win from gaming activities, which is the difference between gaming wins and losses.

##### Promotional Allowances

The retail value of food, beverage, and other complimentary items furnished to customers without charge is included in revenues and then deducted as promotional allowances. The estimated costs of providing such promotional allowances for the years ended December 31, 2007 and 2006, are as follows:

	December 31	
	2007	2006
	<i>(In Thousands)</i>	
Casino	\$ 21,600	\$ 16,571
Food and beverage	4,400	5,417
Other	—	33
	<u>\$ 26,000</u>	<u>\$ 22,021</u>

##### Cash, Cash Equivalents, and Certificates of Deposit

The Company considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents. Certificates of deposit represent cash deposits with maturities in excess of three months.

## Greektown Holdings, L.L.C.

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

##### Accounts Receivable

Accounts receivable – gaming consists primarily of gaming markers issued to casino patrons on the gaming floor. A marker is a voucher for a specified amount of dollars negotiable solely within Greektown Casino. Markers are recorded at issued value and do not bear interest. The allowance for doubtful accounts is Greektown Casino's best estimate of the amount of probable credit losses in Greektown Casino's existing accounts receivable. Greektown Casino determines the allowance based on historical write-off experience and review of returned gaming markers, past-due balances, and individual collection analysis. Account balances are charged off against the allowance after all reasonable means of collection have been exhausted and the potential for recovery is considered remote. Greektown Casino does not have any off-balance-sheet credit exposure related to its customers.

##### Advertising Expense

The Company expenses cost associated with advertising and promotion as incurred. Advertising and promotion expense was \$5,541,000 and \$5,278,000 for the years ended December 31, 2007 and 2006, respectively.

##### Prepaid Expenses

Prepaid expenses consist of payments made for items to be expensed over future periods. At December 31, 2007 and 2006, prepaid expenses include \$12,186,000 and \$11,900,000 related to gaming taxes and fees that will be expensed in the year subsequent to the year payment was made.

##### Inventories

Inventories, consisting of food, beverage, and gift shop items, are stated at the lower of cost or market. Cost is determined by the first-in, first-out method.

##### Property, Building, and Equipment

Property, building, and equipment are stated at cost and are depreciated using the straight-line method over the estimated useful lives of the assets. Expenditures for repairs and maintenance are charged to expense as incurred and approximated \$888,000 and \$839,000 for the years ended December 31, 2007 and 2006. Depreciation and amortization expense includes amortization of assets recorded under capital leases.

## Greektown Holdings, L.L.C.

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

##### Reserve for Club Greektown

Greektown Casino sponsors a players club (Club Greektown) for its repeat customers. Members of the club earn points for playing Greektown Casino's electronic video and table games. Club Greektown members may redeem points for cash. Club Greektown members may also earn special coupons or awards as determined by Greektown Casino. Greektown Casino expenses the cash value of points earned by club members and recognizes a related liability for any unredeemed points. Greektown Casino has adopted the provisions of Emerging Issues Task Force Consensus 01-9, *Accounting for Consideration Given by a Vendor to a Customer* (EITF 01-9). Accordingly, Greektown Casino has recognized the cash value of points earned as a direct reduction in casino revenue. For the years ended December 31, 2007 and 2006, this reduction totaled \$7,151,000 and \$5,973,000, respectively, and is deducted from casino revenue in the accompanying statements of income.

##### Concentrations of Risk

Substantially all nonmanagement positions are covered by collective bargaining agreements. The agreement covering security personnel expires during 2008.

##### Fair Value of Financial Instruments

The carrying amount of cash and cash equivalents, certificates of deposit, accounts receivable, and accounts payable approximates fair value because of the short-term maturity of these instruments. The fair value of long-term debt, lawsuit settlement obligation, and long-term payables approximates their carrying value, as determined by the Company, using available market information.

##### Derivative Financial Instruments

The Company complies with Statement of Financial Accounting Standards (SFAS) No. 133, *Accounting for Derivative Instruments and Certain Hedging Activities*. SFAS No. 133 requires that all derivative instruments be recorded on the balance sheet at their respective fair values.

## Greektown Holdings, L.L.C.

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

The Company has entered into interest rate swap agreements to reduce its exposure to market risks from changing interest rates. The Company does not use hedge accounting on any of the derivative instruments purchased through the end of 2007 and as a result, changes in the fair value of the instruments are recorded as "Unrealized loss on interest rate swaps" in the non-operating section of the accompanying statements of income. At December 31, 2007 and 2006, the Company has recorded a liability for the fair value of the interest rate swaps of \$9,367,000 and \$1,785,000, respectively.

#### Financing Fees

The Company has incurred certain financing costs in order to secure financing for its current casino and Expanded Complex. These costs were capitalized and are being amortized over the term of the respective financing agreements. Capitalized financing fees, net of amortization, totaled \$18,859,000 and \$19,746,000 as of December 31, 2007 and 2006, respectively. The amortization of these fees was \$3,378,000 and \$2,976,000 for the years ended December 31, 2007 and 2006, respectively.

#### Income and Other Taxes

A provision for income taxes is not recorded because, as a limited liability company, taxable income or loss is allocated to the members based on their respective ownership percentages, in accordance with the Member Agreement (as defined elsewhere herein). The Company currently has state tax obligations in the state of Michigan under the Single Business Tax (repealed as of January 1, 2008) regime, which are not considered an income tax under the provisions of SFAS 109, *Accounting for Income Taxes*. However, on July 12, 2007, the Michigan legislature enacted the Michigan Business Tax which is considered an income tax under the provisions of SFAS 109. Due to these changes, the enactment has resulted in the recording of both a deferred tax asset and deferred tax liability during 2007. The deferred tax asset is the result of future deductions allowed under the enactment provisions of the new law for the 2015 to 2029 tax years, whereas the deferred tax liability is the result of the enactment of the law and the liability resulting from the temporary differences related to capital acquisitions reversing in future periods.

## Greentown Holdings, L.L.C.

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

##### Impairment or Disposal of Long-lived Assets

The Company accounts for long-lived assets in accordance with the provisions of SFAS No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*. This Statement requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell.

##### Intangible Assets

The Company complies with the provisions of SFAS No. 142, *Goodwill and Other Intangible Assets*. SFAS No. 142 provides guidance on how identifiable intangible assets should be accounted for upon acquisition and subsequent to their initial financial statement recognition. SFAS No. 142 requires that identifiable intangible assets with indefinite lives be capitalized and tested for impairment at least annually by comparing the fair values of those assets with their recorded amounts.

The revised Development Agreement gives rise to an identifiable intangible asset that has been determined to have an indefinite life.

##### Interest Costs

Greentown Casino capitalizes interest costs associated with debt incurred in connection with the Expanded Complex during the construction period. The interest costs related to the construction of long-lived assets are capitalized until the project is complete, at which time the interest is amortized over the life of the related capitalized assets. The Company uses either the interest rate on the borrowing specific to the capital expenditure or a weighted-average interest rate on outstanding indebtedness. Interest costs capitalized were \$7,199,000 and \$1,375,000 for the years ended December 31, 2007 and 2006, respectively.

## Greektown Holdings, L.L.C.

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

##### Reclassification

Certain prior year amounts have been reclassified to conform to the current year presentation.

##### Recently Issued Accounting Pronouncements

In September 2006, the FASB issued Statement of Financial Accounting Standards No. 157 (SFAS 157), *Fair Value Measurements*. SFAS 157 defines fair value, establishes a framework for measuring fair value in U.S. GAAP, and expands the disclosure requirements regarding fair value measurements. The rule does not introduce new requirements mandating the use of fair value. SFAS 157 defines fair value as “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.” The definition is based on an exit price rather than an entry price, regardless of whether the entity plans to hold or sell the asset. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The Company does not believe the adoption of SFAS 157 will have a significant impact on its financial statements. The Company expects to use the new definition of fair value upon adoption of SFAS 157 as of January 1, 2008, and apply the disclosure requirements of SFAS 157 for the Company’s 2008 financial statements. The Company is currently evaluating the impact of adopting SFAS 157 on its financial statements.

In February 2007, the FASB issued Statement of Financial Accounting Standards No. 159 (SFAS 159), *The Fair Value Option for Financial Assets and Financial Liabilities, Including an amendment of FASB Statement No. 115*. SFAS 159 permits entities to choose, at specified election dates, to measure many financial instruments and certain other items at fair value that are not currently measured at fair value. Unrealized gains and losses on items for which the fair value option has been elected would be reported in earnings at each subsequent reporting date. SFAS 159 also establishes presentation and disclosure requirements in order to facilitate comparisons between entities choosing different measurement attributes for similar types of assets and liabilities. SFAS 159 does not affect existing accounting requirements for certain assets and liabilities to be carried at fair value. SFAS 159 is effective as of the beginning of a reporting entity’s first fiscal year that begins after November 15, 2007. The Company does not believe the adoption of SFAS 159 will have a significant impact on its financial statements.



Greentown Holdings, L.L.C.

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

In March 2008, the FASB announced the issuance of Financial Accounting Standards No. 161 (SFAS 161), *Disclosures about Derivative Instruments and Hedging Activities*. The new standard amends Statement of Financial Accounting Standards No. 133, *Accounting for Derivative Instruments and Hedging Activities* (SFAS 133), and seeks to enhance disclosure about how and why a company uses derivative and hedging activities, how derivative instruments and related hedged items are accounted for under SFAS 133 (and the interpretations of that standard) and how derivatives and hedging activities affect a company's financial position, financial performance and cash flows. SFAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. Early application of the standard is encouraged, as well as comparative disclosures for earlier periods at initial adoption (although such comparative information is not required).

**3. Property, Building, and Equipment**

Property, building, and equipment and related depreciable lives as of December 31, 2007 and 2006, were as follows:

	Amount		Depreciable Lives
	2007	2006	
	<i>(In Thousands)</i>		
Land	\$ 104,391	\$ 103,402	—
Gaming building and improvements	77,770	77,783	3–35 years
Gaming equipment and furnishings	57,558	57,558	3–5 years
Nongaming buildings and improvements	67,060	20,979	39 years
Nongaming office furniture and equipment	20,641	17,745	5–7 years
Construction in progress	87,409	31,485	—
	<u>414,829</u>	<u>308,952</u>	
Less accumulated depreciation and amortization	127,939	119,310	
Property, building, and equipment, net	<u>\$ 286,890</u>	<u>\$ 189,642</u>	

Certain costs incurred relate to the development and construction of the Expanded Complex, in accordance with the terms of the revised Development Agreement. These costs are capitalized, and depreciation shall commence once the Expanded Complex opens.

## Greektown Holdings, L.L.C.

### Notes to Consolidated Financial Statements (continued)

#### 4. Casino Development Rights

In accordance with the revised Development Agreement, Greektown Casino is authorized to own and operate on a permanent basis, within certain boundaries in the City of Detroit, a casino complex containing specified amenities. Under the terms of the revised Development Agreement:

- (a) Greektown Casino agreed to pay the City of Detroit \$44 million in installment payments (installment payments), and contributed certain investment assets.
- (b) Greektown Casino is required to continue its standby letters of credit, totaling \$49,928,000, to secure principal and interest payments on certain bonds issued by the Economic Development Corporation of the City of Detroit (EDC) and must also make the principal and interest payments under these bonds (EDC payments) (see Note 11).
- (c) Greektown Casino signed an indemnity agreement with the City of Detroit and the EDC with respect to certain matters. Payments made under this indemnity agreement plus liabilities accrued at December 31, 2007, resulted in capitalizing costs of \$32,047,000 (\$30,991,000 at December 31, 2006). This amount includes the costs to settle a lawsuit as more fully described in Note 12.
- (d) Greektown Casino contributed to the City of Detroit its one-third interest, with a cost basis of \$2,833,000, in Jefferson Holdings, LLC.

The installment payments, EDC payments, payments under the indemnity agreement and lawsuit settlement, and the contribution of the ownership interest in Jefferson Holdings, LLC give rise to an identifiable intangible asset, casino development rights, in the amount of \$128,808,000 at December 31, 2007 (\$127,752,000 at December 31, 2006), which, under the terms of the revised Development Agreement, have an indefinite life.

Greektown Holdings, L.L.C.

Notes to Consolidated Financial Statements (continued)

**5. Debt and Notes Payable**

Debt and notes payable consist of the following as of December 31, 2007 and 2006:

	2007	2006
	<i>(In Thousands)</i>	
Term loan	\$ 158,433	\$ 189,525
Incremental term loan	31,580	—
Revolving credit facility	75,072	35,000
10.75% Senior Notes due 2013, face value of \$185,000,000, less unamortized discount of \$1,788,000 and \$2,090,000 at December 31, 2007 and 2006, respectively	183,212	182,910
	448,297	407,435
Less current portion	448,297	1,900
Long-term debt and notes payable, less current portion	\$ —	\$ 405,535

All outstanding debt is recorded in current liabilities as of December 31, 2007, due to the covenant violations and other matters described in Note 2. The below sections describe the original payment terms of each debt instrument.

In April 2007, the Company obtained \$100 million of new debt capacity consisting of a \$37.5 million incremental term loan drawn on such date, a \$37.5 million incremental delayed draw term loan to be drawn within a year of closing, and an increase of \$25 million of borrowings under the revolving credit facility. As a result of the existing covenant violations at December 31, 2007, in March 2008, the Company agreed to reduce the commitments under the delayed draw term loan to zero, accordingly, no amounts are available under the delayed draw term loan. Also, in response to a covenant violation at September 30, 2007, on November 14, 2007, a member of the Company made an equity contribution of \$35 million. This amount was used to pay down the term loan and incremental term loan on a pro rata basis.

**Term Loan, Incremental Term Loan, and Revolving Credit Facility**

The Company is the borrower under a \$190 million, seven-year term loan agreement, a \$37.5 million incremental term loan, and a \$125 million, five-year revolving credit facility (including letters of credit).

## Greentown Holdings, L.L.C.

### Notes to Consolidated Financial Statements (continued)

#### 5. Debt and Notes Payable (continued)

The terms of the term loan facility include the following:

- Seven-year maturity.
- Quarterly amortization of \$475,000, beginning on December 31, 2006 through December 31, 2011; thereafter, quarterly amortization payments of one-fourth the outstanding amount for each of the four quarters beginning on March 31, 2012.
- Interest payments are payable quarterly, at a rate equal to, at the Company's option: (i) for a base rate loan, (A) the greater of (I) the rate of interest then most recently established by the administrative agent (Merrill Lynch Capital Corporation) in New York, New York as its base rate for U.S. dollars loaned in the United States, and (II) the federal funds rate plus 0.50%, plus (B) a margin based on the ratio of total net senior debt to EBITDA (1.50% or 1.75%) or (ii) for a LIBOR loan, LIBOR plus a margin based on the ratio of total net senior debt to EBITDA (2.50% or 2.75%).

The \$37.5 million incremental term loan has the same terms as the \$190 million term loan, except for the following:

- Five-year maturity.
- Quarterly principal amortization payments of \$37,500, beginning on June 30, 2007 through December 31, 2011; thereafter, quarterly principal amortization payments of one-fourth the outstanding amount for each of the four quarters beginning on March 31, 2012.

The terms of the revolving credit facility include the following:

- Five-year maturity.
- Interest payments are payable monthly or quarterly, at a rate equal to, at the Company's option: (i) for a base rate loan, (A) the greater of (I) the rate of interest then most recently established by the administrative agent (Merrill Lynch Capital Corporation) in New York, New York as its base rate for U.S. dollars loaned in the United States, and (II) the federal funds rate plus 0.50%, plus (B) a margin based on the ratio of total net senior debt to EBITDA (1.25% or 1.50%) or (ii) for a LIBOR loan, LIBOR plus a margin based on the ratio of total net senior debt to EBITDA (2.25% or 2.50%).

## Greektown Holdings, L.L.C.

### Notes to Consolidated Financial Statements (continued)

#### 5. Debt and Notes Payable (continued)

The Company has letters of credit outstanding of \$49,928,000 under the revolving credit facility to secure principal and interest payments on certain bonds issued by EDC (see Note 11). As a result of the outstanding balance and outstanding letters of credit, no additional amounts are available to be drawn on the revolving credit facility.

The proceeds from the term loan and the revolving credit facility have been advanced to Greektown Casino in exchange for a note payable having terms similar to those contained in such facilities.

As security for the term loan and any amounts owing under the revolving credit facility, the Company has pledged its 100% equity interest in Greektown Casino. In addition, Greektown Casino has guaranteed repayment of these borrowings. Further, Greektown Casino assigned a security interest in all of its assets as collateral for the above agreements.

Except as permitted under the terms of the loan and other credit facilities (i.e., revolver and letter of credit) and unsecured note arrangements described below, Greektown Casino will not be permitted to incur any other indebtedness.

#### 10.75% Senior Notes Due 2013 (Notes)

The Company and Greektown Holdings II, Inc. entered into a \$185 million unsecured and unsubordinated note arrangement to fund its operations and meet certain obligations and equity commitments. Greektown Casino does not guarantee repayment of the Notes. The terms of the Notes include the following:

- Maturity date of December 1, 2013.
- Interest payments on the Notes accrue at the rate of 10.75% per annum and are payable semi-annually in arrears on each June 1 and December 1, commencing June 1, 2006, to the Holders of record of Notes at the close of business on November 15 and May 15, respectively, immediately preceding such interest payment date. Interest is computed on the basis of a 360-day year of twelve 30 day months.

Greektown Holdings, L.L.C.

Notes to Consolidated Financial Statements (continued)

5. Debt and Notes Payable (continued)

- The Notes are equal in right of payment to all existing and future unsubordinated indebtedness of the Company, and will effectively be subordinated to all secured indebtedness of the Company to the extent of the value of the assets securing such indebtedness. In addition, the Notes will be senior in right of payment to any future indebtedness of the Company that is expressly subordinated to the Notes.
- The Notes are redeemable at the option of the Company, in whole or in part, at any time on or after December 1, 2010, at the redemption prices set forth below, plus accrued and unpaid interest thereon, if any, to the redemption date subject to the rights of the Holders of the Notes.

<u>Year</u>	<u>Redemption Price</u>
2010	105.375%
2011	102.688%
2012 and thereafter	100.000%

In addition, at any time and from time to time prior to December 1, 2008, the Company may redeem in the aggregate up to 35% of the original aggregate principal amount of the Notes with the net cash proceeds from one or more public equity offerings, at a redemption price in cash equal to 110.75% of the principal amount thereof, plus accrued and unpaid interest therein, if any, to the date of redemption subject to the condition that at least 65% of the aggregate principal amount of the Notes originally issued remains outstanding after such redemption.

The Notes were issued by the Company at a discount of 1.307%. As of December 31, 2007 and 2006, the Senior Notes payable have been reported on the balance sheet, net of the unamortized discount of \$1,788,000 and \$2,090,000, respectively.

Additional Notes may be issued in one or more series from time to time subject to compliance with the covenant requirements.

## Greektown Holdings, L.L.C.

### Notes to Consolidated Financial Statements (continued)

#### 5. Debt and Notes Payable (continued)

##### Derivative Financial Instruments

The Company uses derivative financial instruments to manage well-defined interest rate risks. The Company is party to interest rate swap agreements, which are used for reducing the potential impact of increases in interest rates on the Company's variable-rate debt. The interest rate swap requires the Company to pay an amount equal to a specific fixed rate of interest times a notional amount and to receive in return an amount equal to a variable rate of interest times the same notional amount. The notional amounts are not exchanged. The net amounts received or paid are recorded as an adjustment to interest expense. No other cash payments are made unless the contract is terminated prior to its maturity, in which case the contract would likely be settled for an amount approximating its fair value.

As of December 31, 2007, the Company was a party to interest rate swap agreements as follows to convert a total of \$265 million of variable rate debt to fixed-rate debt through the term of the swap agreements.

<u>Notional Amount</u>	<u>Borrower Pays</u>	<u>Counterparty Pays</u>	<u>Agreement Expires</u>
\$70 million	4.85% fixed	3-month LIBOR	December 31, 2010
\$195 million	4.64% fixed	6-month LIBOR	December 1, 2013

#### 6. Leases

Greektown Casino has entered into several noncancelable operating leases, primarily for office space, equipment, parking and vehicles. Rental expense under these agreements for the years ended December 31, 2007 and 2006, was \$2,622,000 and \$288,000, respectively. Greektown Casino also subleases certain portions of its owned or leased facilities under noncancelable operating leases. Rental income under these leases for the years ended December 31, 2007 and 2006, was \$778,000 and \$563,000, respectively. In addition, during 2007 Greektown Casino entered into a settlement agreement with the lessor of a parking garage whereby Greektown Casino agreed to pay \$2.25 million related to lease restoration costs, this amount is recorded as an expense in 2007, and the related liability is recorded in accrued expenses and other liabilities at December 31, 2007.

Greektown Holdings, L.L.C.

Notes to Consolidated Financial Statements (continued)

**6. Leases (continued)**

At December 31, 2007, future minimum rental payments required under noncancelable operating leases with initial or remaining lease terms in excess of one year and lease and sublease income were as follows. Future minimum lease payments include some operating leases with related parties.

	<b>Capital Lease Payments</b>	<b>Operating Lease Payments</b>	<b>Lease and Sublease Income</b>
	<i>(In Thousands)</i>		
Period ended December 31:			
2008	\$ 336	\$ 54	\$ 671
2009	336	22	604
2010	336	—	517
2011	336	—	447
2012	336	—	293
Thereafter	8,036	—	2,391
	<u>9,716</u>	<u>\$ 76</u>	<u>\$ 4,923</u>
Less amount representing interest	8,930		
Present value of net minimum capital lease payments	786		
Less current installments of obligation under a capital lease	—		
	<u>\$ 786</u>		

Certain of the leases include escalation clauses relating to the consumer price index, utilities, taxes, and other operating expenses. Greektown Casino will receive additional rental income in future years based on those factors that cannot be estimated currently.



## Greektown Holdings, L.L.C.

### Notes to Consolidated Financial Statements (continued)

#### 7. Related-Party Transactions

The Company and Greektown Casino have entered into certain business transactions with individuals or entities related to the ownership of direct or indirect member interests. Under the provisions of their internal control system, expenditures to any one related party in excess of \$50,000 annually must be approved by the management board. For the years ended December 31, 2007 and 2006, payments to related parties, other than financing-related activities and member distributions, totaled approximately \$784,000 and \$1,057,000, respectively.

Greektown Casino has also entered into a management services agreement with the Sault Ste. Marie Tribe of Chippewa Indians (the Tribe), a related entity to Kewadin, Monroe, and the Company, which requires Greektown Casino to pay a base management fee of \$110,000 per month, as well as reimbursement of travel, lodging, and out-of-pocket expenses incurred and all reasonable salary costs and fringe benefit expenses of key personnel who are providing such contracted services. Effective November 2006, the base management fee was reduced to \$70,000 per month; this fee was increased to \$110,000 per month effective February 1, 2007. Total fees paid are not to exceed \$2,000,000 annually. The base fee and fee cap shall be adjusted annually to reflect any change in the consumer price index. This agreement may be terminated by Greektown Casino upon 90 days' prior written notice, by the Tribe upon 30 days prior written notice, or by mutual agreement of the parties. The total expense incurred for the years ended December 31, 2007 and 2006, was \$1,280,000 and \$1,240,000, respectively.

Accounts receivable – other includes \$298,000 and \$2,298,000 as of December 31, 2007 and 2006, respectively, for the amounts due from Monroe, a member of the Company. During 2007, \$2,000,000 of this amount, plus \$250,000 of interest was converted to a long-term note receivable. The note receivable bears interest at a rate of 6% and matures on March 31, 2009. In addition, the Tribe has guaranteed \$1,050,000 of accounts receivable – gaming at December 31, 2007.

## Greektown Holdings, L.L.C.

### Notes to Consolidated Financial Statements (continued)

#### **8. Member's Equity**

Upon formation of the Company in September 2005, the members' interest in Greektown Casino was transferred to the Company by the two owners. Consistent with their former ownership interests in Greektown Casino, Kewadin and Monroe each own a 50% interest in the Company. The transactions involving a substitution of the Company for the members' interests in Greektown Casino have been considered as transactions between common control entities, and therefore have been accounted for at carrying value.

As part of this ownership transaction, the member agreement among Kewadin, Monroe and Greektown Casino became the member agreement among Kewadin, Monroe and the Company.

Kewadin and Monroe are required to make installment payments to former members of Monroe on or prior to November 10, in the specified years: (i) \$20.7 million in 2007; (ii) \$19.3 million in 2008; and (iii) \$18.0 million in 2009. Kewadin and Monroe have yet to make the 2007 payment and the Company has not made any distributions to such entities in respect of such payment. Currently, such entities have received a waiver for the 2007 payment until June 2008, subject to the option of the former members to terminate such waiver upon fourteen days written notice. The indenture for the senior notes permits the Company to make distributions as necessary to permit Kewadin and Monroe to fulfill these payment obligations, provided certain financial conditions are met. However, if Kewadin and Monroe do not make such payments, Kewadin may be required to sell its interest in Monroe, which could result in a change in control event under the Company's outstanding debt obligations, which could result in an event of default.

On November 14, 2007, a member of the Company made an equity contribution to the Company of \$35 million. These funds were advanced to the Company as an equity contribution. The Company utilized these funds to pay down the term loan and incremental term loan on a pro rata basis.

## Greektown Holdings, L.L.C.

### Notes to Consolidated Financial Statements (continued)

#### 9. Gaming Taxes and Fees

Under the provisions of the Michigan Gaming Control and Revenue Act (the Act), casino licensees are subject to the following gaming taxes and fees on an ongoing basis:

- An annual licensing fee;
- An annual payment, together with the other two casino licensees, of all MGCB regulatory and enforcement costs. The Company was assessed \$9,826,000 and \$9,540,000 for its portion of the annual payment for the years ended December 31, 2007 and 2006, respectively;
- A wagering tax, calculated based on adjusted gross gaming receipts, payable daily, of 24%. The amended Act also provides for certain increases in the wagering tax if Greektown Casino's Expanded Complex facilities are not operational from and after July 1, 2009, and a reduction in that tax once they are operational; and
- A municipal services fee in an amount equal to the greater of 1.25% of adjusted gross gaming receipts or \$4 million annually.

These gaming taxes and fees are in addition to the taxes, fees, and assessments customarily paid by business entities conducting business in the State of Michigan and the City of Detroit, and amounted to \$89,596,000 and \$89,590,000 for the years ended December 31, 2007 and 2006, respectively.

Effective January 1, 2006, Greektown Casino is required to pay a daily fee to the City of Detroit in the amount of 1% of adjusted gross receipts, increasing to 2% of adjusted gross receipts if adjusted gross receipts exceed \$400 million in any one calendar year. Additionally, if and when adjusted gross receipts exceed \$400 million, Greektown Casino will be required to pay \$4 million to the City of Detroit. The Company's adjusted gross receipts did not exceed \$400 million during the calendar year 2007 or 2006.

On December 31, 2007, Greektown Casino entered into an Acknowledgement of Violation (AOV) with the Michigan Gaming Control Board. The AOV included four complaints addressing procurement, kiosks, electronic gaming device meters and signage. Under the terms of the AOV, a total fine of \$750,000 was assessed, of which \$300,000 was immediately payable and \$450,000 is being held in abeyance for three years provided that Greektown Casino does not commit further violations. If Greektown Casino commits no further violations within the three-year period, the fine held in abeyance will be forgiven. The Company has recorded the \$300,000 as expense during 2007. The remaining amount has not been recorded as no further violations occurred during 2007.

## Greektown Holdings, L.L.C.

### Notes to Consolidated Financial Statements (continued)

#### **10. Commitments and Contingencies**

Millennium Management Group LLC (Millennium) has been retained to provide Greektown Casino with certain consulting services related to the operation of the casino for a period through November 30, 2010. For these services, Greektown Casino compensates Millennium via a consulting fee of \$83,000 per month, plus certain expenses. The fee amounted to \$1 million for each of the years ended December 31, 2007 and 2006.

Greektown Casino continues to enter into several agreements with various vendors providing goods and services related to the development of the Expanded Complex. As of December 31, 2007, the commitments related to construction of the Expanded Complex amounted to approximately \$148 million (\$53,258,000 at December 31, 2006).

The Company, including Greektown Casino, is a defendant in various pending litigation. In management's opinion, the ultimate outcome of such litigation will not have a material adverse effect on the results of operations or the financial position of the Company, including Greektown Casino.

Under the revised Development Agreement, Greektown Casino has signed a Guaranty and Keep Well Agreement, whereby Greektown Casino agreed to certain conditions and performance obligations related to construction of the Expanded Complex and casino operations. The revised Development Agreement also provides that should a triggering event, as defined, occur, Greektown Casino may sell its assets, business, and operations as a going concern at their fair market value to a developer named by the City of Detroit.

#### **11. Long-Term Payables to City of Detroit**

Under the original Development Agreement among Greektown Casino, the City of Detroit, and the EDC, Greektown Casino was required to provide letters of credit (LOCs) to support certain bonds issued by the EDC in connection with the acquisition and development of a proposed permanent casino site. Under the revised Development Agreement, Greektown Casino must continue its standby LOCs, totaling \$49,928,000, to secure principal and interest payments on certain bonds issued by the EDC and must also make the principal and interest payments required under these bonds. The proceeds of the bonds were used to acquire land along the Detroit River, where the permanent casino facilities were initially proposed to be located. Under the revised Development Agreement, Greektown Casino and the other Detroit casino developers will forgo their right to receive any of the land, but will remain obligated to repay the bonds. Greektown Casino's \$49,928,000 obligation has been recorded as a long-term payable in the accompanying balance sheet. The EDC bonds bear interest at a variable rate (4.96% as of December 31, 2007), payable monthly, and the principal is due in November 2009.

Greektown Holdings, L.L.C.

Notes to Consolidated Financial Statements (continued)

**12. Lawsuit Settlement Obligation**

A settlement agreement was reached in various lawsuits that were filed challenging the constitutionality of the Casino Development Competitive Selection Process Ordinance. As of December 31, 2007, payments totaling \$16 million have been made against this settlement obligation. Additional payments required under the agreement include \$1 million (inclusive of interest) annually for the next 24 years through 2031. As of December 31, 2007 and 2006, the lawsuit settlement obligation consisted of the following:

	<u>2007</u>	<u>2006</u>
	<i>(In Thousands)</i>	
Total lawsuit settlement obligation	\$ 40,000	\$ 40,000
Less payments made to date	<u>(16,000)</u>	<u>(15,000)</u>
Lawsuit settlement obligation to be paid	24,000	25,000
Less imputed interest at 6%	<u>(11,450)</u>	<u>(12,217)</u>
Amounts to be paid, at present value	12,550	12,783
Current portion at present value	<u>981</u>	<u>981</u>
Lawsuit obligation at present value, less current portion	<u>\$ 11,569</u>	<u>\$ 11,802</u>

**13. 401(k) Plan**

Salaried employees of Greektown Casino can participate in a 401(k) Plan (the Plan) whereby Greektown Casino matches a certain percentage of the employees' contribution. For union employees, Greektown Casino shall make contributions to the Plan based on years of service. The total payments made and expense recognized under the Plan by Greektown Casino for the years ended December 31, 2007 and 2006 amounted to \$2,178,000 and \$2,164,000, respectively.