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Caesars Strongly Disagrees With Court Ruling on Motion to Dismiss, Will Appeal

LAS VEGAS - Caesars Entertainment Corporation strongly disagrees with Judge Nathaniel Gorton's decision to dismiss the company's lawsuit against Massachusetts Gaming Commission officials Stephen Crosby and Karen Wells. The judge's decision to dismiss the lawsuit on technical grounds while acknowledging troubling ethical lapses in the process denies Caesars the opportunity for discovery and therefore its ability to prove the allegations it is claiming. Caesars intends to file an appeal with the U.S. Court of Appeals for the First Circuit.

The ruling acknowledges that the actions described in Caesars' lawsuit would 'shock the conscience' as 'truly outrageous,' and thus constitute a violation of substantive due process." Despite this acknowledgement, the ruling has barred the company from the discovery required to prove its assertions.

"Caesars and the citizens of the Commonwealth deserve to know the truth about the conduct of the leader of the Massachusetts Gaming Commission, whose subsequent recusal from the Region A selection process has further impeded implementation of the 2011 Expanded Gaming Act," said Gary Loveman, chairman and chief executive officer of Caesars Entertainment. "The Commission has repeatedly appealed to the highest standards of transparency in the conduct of its affairs, yet in the case of its own actions, it opposes precisely such transparency."

Throughout his ruling, Judge Gorton acknowledges the merits of the claims made by Caesars in its lawsuit. The opinion states that court is "disturbed by Crosby's failure to avoid the appearance of impropriety and convinced that public trust in the casino licensing process has suffered as a result." The ruling further acknowledges Crosby's "ethical lapses." The company emphatically disagrees with the court's assertion that it is not empowered to rule on these "lapses" and the concept that the court cannot allow Caesars a remedy "even where it shields from liability those who certainly should have known better." The company will challenge this argument on appeal.

Despite its acknowledgement that Caesars "has pled sufficient facts that, when assumed to be true, constitute a deprivation of a property interest without due process," the Court's dismissal of the company's lawsuit denies Caesars the ability to prove its claims.