
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): September 26, 2016 (September 23, 2016)

CAESARS ENTERTAINMENT CORPORATION
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-10410
(Commission
File Number)

62-1411755
(IRS Employer
Identification No.)

One Caesars Palace Drive, Las Vegas, Nevada 89109
(Address of Principal Executive Offices)(Zip Code)

(702) 407-6000
(Registrant's telephone number, including area code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☒ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Introductory Note

On September 23, 2016, Caesars Interactive Entertainment, LLC, a Delaware limited liability company (“CIE”), an indirect subsidiary of Caesars Acquisition Company (“CAC”), sold its social and mobile games business (the “SMG Business”) to Alpha Frontier Limited, a Cayman Islands exempted company (“Purchaser”) (such sale, together with the transactions contemplated under the Purchase Agreement, the “Sale”), pursuant to the Stock Purchase Agreement, dated as of July 30, 2016 (the “Purchase Agreement”), entered into by and among CIE, Purchaser, and, solely for certain limited purposes described therein, Caesars Growth Partners, LLC, a Delaware limited liability company (“CGP”), and CIE Growth, LLC, a Delaware limited liability company (“CIE Growth”). The Purchaser was backed by a consortium that includes Giant Investment (HK) Limited, an affiliate of Shanghai Giant Network Technology Co., Ltd.; Yunfeng Capital; China Oceanwide Holdings Group Co., Ltd.; China Minsheng Trust Co., Ltd.; CDH China HF Holdings Company Limited and Hony Capital Fund.

In connection with the Sale and related restructuring, CIE retained its World Series of Poker (“WSOP”) and regulated online real money gaming (“RMG”) businesses. CIE also granted an exclusive, royalty bearing license to Playtika, Ltd., a CIE subsidiary constituting part of the SMG Business (“Playtika”), with respect to the WSOP and other WSOP-related trademarks owned by CIE or its affiliates and an exclusive royalty bearing sublicense with respect to certain trademarks for continued use in Playtika’s social and mobile games business.

The descriptions of the Purchase Agreement and the transactions contemplated thereby in this Current Report on Form 8-K do not purport to be complete and are qualified in their entirety by reference to the Purchase Agreement, a copy of which was filed as Exhibit 99.1 to the Current Report on Form 8-K filed by CEC with the Securities and Exchange Commission (the “SEC”) on August 1, 2016 and is incorporated herein by reference.

Item 1.01 Entry into Material Definitive Agreement

Amendment to the CGP Operating Agreement

In connection with the closing of the Sale (the “Closing”), on September 23, 2016, CAC, Caesars Entertainment Corporation (“CEC”) and certain subsidiaries of CEC (the “CEC Members”) entered into an amendment to the Amended and Restated Limited Liability Company Agreement of CGP (the “CGP Operating Agreement Amendment”), to, among other things, permit CGP following the Closing to make one or more non-pro rata special distributions to (a) the CEC Members of up to \$200 million for professional fees and up to \$50 million to replenish a deposit previously made by CEC for the support of a proposed casino project in South Korea, and (b) CAC of up to \$300 million to pay tax liabilities resulting from the Sale. The CGP Operating Agreement Amendment also provides that upon a liquidation, partial liquidation or sale of material assets, following the existing preferential return to all units held by CAC, the CEC Members shall receive an amount equal to the difference between (x) the amount the CEC Members would have received had the special distributions been made pro rata based on the members’ respective company percentage interests in CGP as of the Closing and (y) the amount of special distributions actually received by the CEC Members.

The foregoing description of the CGP Operating Agreement Amendment does not purport to be complete and is qualified in its entirety by reference to the CGP Operating Agreement Amendment, which is filed as Exhibit 10.1 hereto, and is incorporated herein by reference.

Item 2.01 Completion of Acquisition or Disposition of Assets

The information provided in the Introductory Note of this Current Report on Form 8-K is incorporated by reference herein.

As described above, on September 23, 2016, the Closing of the Sale occurred. CIE received \$4.4 billion in cash, subject to customary purchase price adjustments for net working capital, cash, and transaction expenses (such proceeds from the Sale, the “CIE Proceeds”), of which \$264,000,000 was placed in escrow to secure the potential indemnity claims of Purchaser under the Purchase Agreement. In connection with the Closing, CEC will file certain pro forma financial information related to the Sale with an amendment to this Current Report on Form 8-K within four business days of the Closing.

Pursuant to the Purchase Agreement, CIE agreed to hold a portion of the CIE Proceeds in a separate maintenance account until the occurrence of certain bankruptcy release events, as further detailed in the Purchase Agreement. In connection with the Closing, and pursuant to the Purchase Agreement and the CIE Proceeds and Reservation of Rights Agreement (including exhibits thereto, the “CIE Proceeds Agreement”), dated September 9, 2016, entered into among CAC, CIE, CEC and Caesars Entertainment Operating Company, Inc., a majority owned subsidiary of CEC (“CEOC”), CIE agreed to deposit into an escrow account (the “CIE Escrow Account”) the CIE Proceeds in excess of the sum of: (a) certain amounts used for the payment of transaction expenses related to the Closing, (b) distributions to minority shareholders or equity holders of CIE related to the repurchase of CIE equity interests held by such holders, and (c) certain tax payments. In connection with the Closing, CIE deposited into the CIE Escrow Account the portion of the CIE Proceeds required by the CIE Proceeds Agreement. The funds in the CIE Escrow Account may only be released pursuant to the terms set forth in the CIE Proceeds Agreement.

The description of the CIE Proceeds Agreement and the transactions contemplated thereby in this Current Report on Form 8-K do not purport to be complete and are qualified in their entirety by reference to the CIE Proceeds Agreement, a copy of which was filed as Exhibit 10.1 to the Current Report on Form 8-K filed by CEC with the SEC on September 12, 2016 and is incorporated herein by reference.

Important Additional Information

Pursuant to the Amended and Restated Agreement and Plan of Merger, dated as of July 9, 2016, between CEC and CAC, among other things, CAC will merge with and into CEC, with CEC as the surviving company (the “Merger”). In connection with the Merger, CEC and CAC will file with the SEC a Registration Statement on Form S-4 that will include a joint proxy statement/prospectus, as well as other relevant documents concerning the proposed transaction. Stockholders are urged to read the Registration Statement and joint proxy statement/prospectus regarding the Merger when it becomes available and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they will contain important information. You will be able to obtain a free copy of such joint proxy statement/prospectus, as well as other filings containing information about CEC and CAC, at the SEC’s website (www.sec.gov), from CEC Investor Relations (investor.caesars.com) or from CAC Investor Relations (investor.caesarsacquisitioncompany.com).

Item 9.01 Financial Statements and Exhibits.

(b) *Pro Forma Financial Information.*

The unaudited pro forma consolidated financial statements of CEC giving pro forma effect to the disposition of the SMG Business for the years ended December 31, 2015, 2014 and 2013 and the six months ended June 30, 2016 are not included in this Current Report on Form 8-K, and will be filed with an amendment to this Current Report on Form 8-K within four business days of the Closing.

(d) *Exhibits.*

The following exhibit is being filed herewith:

<u>Exhibit No.</u>	<u>Description</u>
10.1	First Amendment to the Amended and Restated Limited Liability Company Agreement of Caesars Growth Partners, LLC, dated as of October 21, 2013, dated as of September 23, 2016, entered into by and among Caesars Acquisition Company, in its capacity as Caesars Growth Partners, LLC's managing member and as a member of Caesars Growth Partners, LLC, HIE Holdings, Inc., Harrah's BC, Inc. and Caesars Entertainment Corporation

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CAESARS ENTERTAINMENT CORPORATION

Date: September 26, 2016

By: /s/ SCOTT E. WIEGAND

Name: Scott E. Wiegand

Title: Senior Vice President, Deputy General Counsel and Corporate Secretary

EXHIBIT INDEX

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**FIRST AMENDMENT
TO THE
AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF
CAESARS GROWTH PARTNERS, LLC**

This First Amendment (this “**Amendment**”) to the Amended and Restated Limited Liability Company Agreement of Caesars Growth Partners, LLC, a Delaware limited liability company (the “**Company**”), dated as of October 21, 2013 (the “**CGP Operating Agreement**”), is dated and effective as of September 23, 2016, is being entered into by and among Caesars Acquisition Company, a Delaware corporation (“**CAC**”), in its capacity as the Company’s managing member and as a Member (as defined below), HIE Holdings, Inc., a Delaware corporation and Harrah’s BC, Inc., a Delaware corporation (each, a “**CEC Member**”, and together, the “**CEC Members**”, and collectively with CAC, the “**Members**”), and Caesars Entertainment Corporation, a Delaware corporation (“**CEC**”). Capitalized terms used in this Amendment but not otherwise defined herein shall have the meanings given to such terms in the CGP Operating Agreement.

WHEREAS, in accordance with Section 15.5 of the CGP Operating Agreement, the Managing Member, CEC and the Members wish to amend the CGP Operating Agreement to provide for a special distribution to the Members as set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

**ARTICLE I.
AMENDMENTS**

Section 1.1 Section 1.1 of the CGP Operating Agreement. The following definitions shall be added to Exhibit A-1 of the CGP Operating Agreement in alphabetical order:

“Actual CAC Special Distribution Amount” means the amount of CAC Special Distributions actually made pursuant to Section 6.9(b).

“Actual CEC Special Distribution Amount” means the amount of CEC Special Distributions actually made pursuant to Section 6.9(a).

“CAC Special Distributions” has the meaning set forth in Section 6.9(b).

“CAC Tax Liability Amount” means a cash amount sufficient to enable CAC to pay its aggregate tax liabilities in connection with the CIE Sale Transaction as determined by the Managing Member; provided that such amount shall not exceed \$300 million in the aggregate.

“CEC Special Distributions” has the meaning set forth in Section 6.9(a).

“CIE Sale Transaction” means the sale of the social and mobile games business of CIE pursuant to that certain Stock Purchase Agreement, dated as of July 30, 2016, by and among Alpha Frontier Limited, CIE, and, solely for the purposes set forth therein, Caesars Growth Partners, LLC, a Delaware limited liability company, and CIE Growth, LLC, a Delaware limited liability company.

“Pro Rata CEC Special Distribution Amount” means an amount equal to the quotient obtained by dividing (a) the Actual CAC Special Distribution, by (b) a fraction, the numerator of which is the Company Percentage Interest held by CAC as of the closing of the CIE Sale Transaction, and the denominator of which is the Company Percentage Interests held by the CEC Members in the aggregate as of the closing of the CIE Sale Transaction.

“Special Distributions” means, collectively, the CAC Special Distributions and the CEC Special Distributions.

Section 1.2 New Section 6.9 of the CGP Operating Agreement. A new Section 6.9 of the CGP Operating Agreement shall be added after Section 6.8 of the CGP Operating Agreement as follows:

“6.9. Special Distributions. Following the consummation of the CIE Sale Transaction, notwithstanding anything to the contrary in this Agreement (including, without limitation, Sections 6.2, 6.3, 6.4, 6.5 and 12.2), the Company shall make special distributions to the Members from the proceeds of the CIE Sale Transaction, as follows:

(a) from time to time, upon the reasonable request of CEC and to the extent (i) permitted by that certain CIE Proceeds and Reservation of Rights Agreement, dated as of September 9, 2016, by and among CIE, CAC, CEC and CEOC and (ii) that there is no action, suit or proceeding preventing such distribution, to the CEC Members, an aggregate cash amount not to exceed the sum of: (x) \$200 million for the payment of professional fees and (y) \$50 million to replenish a deposit previously made by CEC for the support or advancement of a proposed casino project in South Korea (collectively, the “CEC Special Distributions”); and

(b) from time to time, when and as determined by the Managing Member, to CAC, an aggregate cash amount not to exceed the CAC Tax Liability Amount (the “CAC Special Distributions”).

In addition, notwithstanding anything to the contrary in this Agreement, the parties hereto agree that (i) the Special Distributions shall not be taken into account for purposes of determining the amounts that any Member is entitled to receive under Sections 6.3 or 12.2, except to the extent provided in Section 12.2(c); (ii) without limiting the Special Distributions, no other distribution that constitutes a Tax Distribution shall be made to any Member as a result of any

income or gains arising out of the CIE Sale Transaction; (iii) the proceeds of the CIE Sale Transaction used to pay the Special Distributions shall not be deemed proceeds of a Liquidation Event or a Partial Liquidation for purposes of this Agreement and the remaining proceeds of the CIE Sale Transaction shall be distributed at such time as the Managing Member shall determine as a Partial Liquidation in accordance with this Agreement; and (iv) for purposes of Section 6.2 (Allocations), Net Profits (and to the extent necessary, individual items of income or gain) attributable to the CIE Sale Transaction shall be allocated among the Members on a *pro rata* basis in accordance with their relative Company Percentage Interests.”

Section 1.3 Amendment to Section 12.2 of the CGP Operating Agreement. Section 12.2 of the CGP Operating Agreement is hereby amended to read in its entirety as follows:

“12.2 Distribution of Liquidation Proceeds. Upon the occurrence of a Liquidation Event, the Managing Member will take full account of the Company’s liabilities and assets, and the Company’s assets will be liquidated as promptly as is consistent with obtaining the fair value thereof, subject to applicable gaming regulatory Laws (“Liquidation”). Additionally, assets of the Company may, from time to time, be sold or otherwise disposed of, either in a single transaction or a series of transactions, at a fair value greater than or equal to \$20,000,000 (such transaction or transactions, a “Partial Liquidation”). The proceeds from any Liquidation or Partial Liquidation will be applied and distributed in the following order:

(a) First, to the payment and discharge of all of the Company’s debts and liabilities (including debts and liabilities to the Members, to the extent permitted by Law), whether by payment or the making of reasonable provision for payment thereof;

(b) Second, 100% to the holders of Class A Units (pro rata based on the relative amounts distributable to each such holder pursuant to this Section 12.2(b)) until the aggregate amount distributed in respect of each Class A Unit pursuant to this clause (b) and Section 6.3 hereof (inclusive of any amounts previously received in respect of each such Class A Unit pursuant to this clause (b)) equals the Class A Liquidation Preference Amount in respect of each such Class A Unit as of the date of such distribution;

(c) Third, 100% to the CEC Members, an aggregate amount of cash equal to the difference between (i) the Pro Rata CEC Special Distribution Amount and (ii) the Actual CEC Special Distribution Amount;

(d) Fourth, 100% to the holders of Class B Units (pro rata based on the relative amounts distributable to each such holder pursuant to this Section 12.2(c)) until the aggregate amount distributed in respect of each Class B Unit pursuant to this clause (d) and Section 6.3 hereof (and in the case of a Class B Unit that was converted from a Class A Unit, pursuant to clause (b) of this Section 12.2 in

respect of such Unit) (inclusive of any amounts previously received in respect of each such Class B Unit pursuant to this clause (d)) equals (i) with respect to any Class B Units held by any Member other than CAC, the Class B Member Unit Amount in respect of each such Class B Unit as of the date of such distribution, and (ii) with respect to any Class B Units held by CAC, the Class B CAC Unit Amount in respect of each such Class B Unit as of the date of such distribution; and

(e) Thereafter, 100% to the Members in accordance with Section 6.3.

To the extent any Member receives an amount pursuant to clauses (b), (c), (d) or (e) of this Section 12.2 that exceeds such Member's Adjusted Capital Account (after taking into account all adjustments, contributions and distributions made prior to the Liquidation), such excess shall be treated as a "guaranteed payment" made to such Member within the meaning of Section 707(c) of the Code."

ARTICLE II. MISCELLANEOUS

Section 2.1 Effect on Agreement. Except as expressly amended by this Amendment, the CGP Operating Agreement shall remain in full force and effect in accordance with its terms. As amended hereby, the CGP Operating Agreement is hereby ratified and confirmed in all respects.

Section 2.2 Binding Effect. This Amendment shall be binding upon and shall inure to the benefit of CAC, as the Company's managing member, CEC and each Member and their respective heirs, permitted successors, permitted assigns, permitted distributees, and legal representatives; and by their signatures hereto, CAC, as the Company's managing member, CEC and each Member intends to and does hereby become bound. Nothing expressed or mentioned in this Amendment is intended or shall be construed to give any Person other than the parties hereto and their respective permitted successors and assigns any legal or equitable right, remedy or claim under, in or in respect of this Amendment or any provision herein contained. For purposes of this Amendment, "Person" means any natural person, corporation, limited partnership, general partnership, limited liability company, joint stock company, joint venture, association, company, estate, trust, bank trust company, land trust, business trust, or other organization, whether or not a legal entity, custodian, trustee-executor, administrator, nominee or entity in a representative capacity and any government or agency or political subdivision thereof.

Section 2.3 Merger Agreement. Each of CAC and CEC acknowledge and agree that nothing in this Amendment shall amend, alter or modify in any respect the terms of, or constitute a consent, approval or waiver of rights under, that certain Amended and Restated Agreement and Plan of Merger, dated as of July 9, 2016, between CAC and CEC (the "Merger Agreement"), including, without limitation, in respect of each party's covenants and obligations under Section 5.2 of the Merger Agreement (as such covenants and obligations relate to the proposed casino project in South Korea or otherwise).

Section 2.4 Governing Law; Severability. This Amendment, and all rights and remedies in connection therewith, will be governed by, and construed under, the applicable laws of the State of Delaware, without regard to otherwise governing principles of conflicts of law (whether of the State of Delaware or otherwise) that would result in the application of the laws of any other jurisdiction. If any provision of this Amendment is held to be illegal, invalid or unenforceable under present or future applicable laws effective during the term of this Amendment, such provision shall be fully severable; this Amendment shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Amendment; and the remaining provisions of this Amendment shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Amendment. Furthermore, in lieu of each such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Amendment a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid, and enforceable.

Section 2.5 Counterparts. This Amendment may be executed in any number of counterparts (including facsimile counterparts), all of which together shall constitute a single instrument.

[REMAINDER OF THE PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Company, the Managing Member and the other Members, and CEC have executed this Amendment as of the date first set forth above.

MANAGING MEMBER:

CAESARS ACQUISITION COMPANY

By: /s/ Craig Abrahams
Name: Craig Abrahams
Title: CFO

CEC:

CAESARS ENTERTAINMENT CORPORATION

By: /s/ Scott E. Wiegand
Name: Scott E. Wiegand
Title: SVP, Deputy General Counsel and Corporate Secretary

[Signature Page to Amendment to CGP Operating Agreement]

MEMBERS:

CAESARS ACQUISITION COMPANY

By: /s/ Craig Abrahams
Name: Craig Abrahams
Title: CFO

HIE HOLDINGS, INC.

By: /s/ Scott E. Wiegand
Name: Scott E. Wiegand
Title: Secretary

HARRAH'S BC, INC.

By: /s/ Scott E. Wiegand
Name: Scott E. Wiegand
Title: Secretary

[Signature Page to Amendment to CGP Operating Agreement]