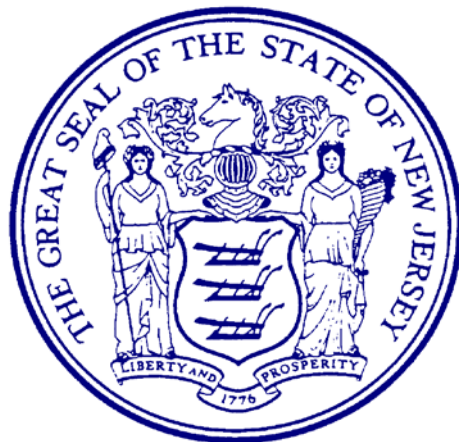


**TRUMP TAJ MAHAL ASSOCIATES, LLC
QUARTERLY REPORT**

FOR THE QUARTER ENDED DECEMBER 31, 2013

**SUBMITTED TO THE
DIVISION OF GAMING ENFORCEMENT
OF THE
STATE OF NEW JERSEY**



**OFFICE OF FINANCIAL INVESTIGATIONS
REPORTING MANUAL**

TRUMP TAJ MAHAL ASSOCIATES, LLC

BALANCE SHEETS

AS OF DECEMBER 31, 2013 AND 2012

(UNAUDITED)

(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2013 (c)	2012 (d)
	<u>ASSETS:</u>			
	Current Assets:			
1	Cash and Cash Equivalents.....	2	\$19,100	\$19,932
2	Short-Term Investments.....		0	0
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2013, \$5,769; 2012, \$4,510).....	2	7,997	24,629
4	Inventories	2	1,056	1,029
5	Other Current Assets.....		4,284	2,540
6	Total Current Assets.....		32,437	48,130
7	Investments, Advances, and Receivables.....	11 & 16	24,680	22,540
8	Property and Equipment - Gross.....	2 & 4	384,323	380,347
9	Less: Accumulated Depreciation and Amortization.....	2 & 4	(66,212)	(48,565)
10	Property and Equipment - Net.....	2 & 4	318,111	331,782
11	Other Assets.....	5	11,357	12,831
12	Total Assets.....		\$386,585	\$415,283
	<u>LIABILITIES AND EQUITY:</u>			
	Current Liabilities:			
13	Accounts Payable.....		\$8,877	\$9,798
14	Notes Payable.....		0	0
	Current Portion of Long-Term Debt:			
15	Due to Affiliates.....		0	0
16	External.....	6	870	161
17	Income Taxes Payable and Accrued.....	7	0	0
18	Other Accrued Expenses.....	12	10,565	12,567
19	Other Current Liabilities.....	8,13&14	21,003	21,377
20	Total Current Liabilities.....		41,315	43,903
	Long-Term Debt:			
21	Due to Affiliates.....	6 & 11	220,271	215,587
22	External.....	6	5,851	5,427
23	Deferred Credits	7	0	0
24	Other Liabilities.....	8	2,017	2,635
25	Commitments and Contingencies.....	16	0	0
26	Total Liabilities.....		269,454	267,552
27	Stockholders', Partners', or Proprietor's Equity.....		117,131	147,731
28	Total Liabilities and Equity.....		\$386,585	\$415,283

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

TRUMP TAJ MAHAL ASSOCIATES, LLC

STATEMENTS OF INCOME

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2013 AND 2012

(UNAUDITED)

(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2013 (c)	2012 (d)
	Revenue:			
1	Casino.....		\$257,081	\$293,099
2	Rooms.....		48,780	52,808
3	Food and Beverage.....		34,799	42,581
4	Other.....		13,272	14,135
5	Total Revenue.....		353,932	402,623
6	Less: Promotional Allowances.....	2	96,049	114,968
7	Net Revenue.....		257,883	287,655
	Costs and Expenses:			
8	Cost of Goods and Services.....		195,891	217,573
9	Selling, General, and Administrative.....	2 & 9	40,953	24,739
10	Provision for Doubtful Accounts.....	2	1,420	1,434
11	Total Costs and Expenses.....		238,264	243,746
12	Gross Operating Profit.....		19,619	43,909
13	Depreciation and Amortization.....	4	17,581	17,186
	Charges from Affiliates Other than Interest:			
14	Management Fees.....		0	0
15	Other.....	14	5,552	6,660
16	Income (Loss) from Operations.....		(3,514)	20,063
	Other Income (Expenses):			
17	Interest Expense - Affiliates.....	6	(25,639)	(27,369)
18	Interest Expense - External.....	6	(869)	(804)
19	CRDA Related Income (Expense) - Net.....	16	(1,051)	(1,206)
20	Nonoperating Income (Expense) - Net.....	4,10&15	473	1,916
21	Total Other Income (Expenses).....		(27,086)	(27,463)
22	Income (Loss) Before Taxes and Extraordinary Items.....		(30,600)	(7,400)
23	Provision (Credit) for Income Taxes.....	7	0	0
24	Income (Loss) Before Extraordinary Items.....		(30,600)	(7,400)
25	Extraordinary Items (Net of Income Taxes - 2013, \$0; 2012, \$0).....		0	0
26	Net Income (Loss).....		(\$30,600)	(\$7,400)

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRUMP TAJ MAHAL ASSOCIATES, LLC

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED DECEMBER 31, 2013 AND 2012

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2013 (c)	2012 (d)
	Revenue:			
1	Casino.....		\$54,433	\$53,988
2	Rooms.....		11,175	10,047
3	Food and Beverage.....		7,358	7,421
4	Other.....		3,065	3,038
5	Total Revenue.....		76,031	74,494
6	Less: Promotional Allowances.....	2	22,022	20,916
7	Net Revenue.....		54,009	53,578
	Costs and Expenses:			
8	Cost of Goods and Services.....		45,876	46,586
9	Selling, General, and Administrative.....	2	9,750	8,469
10	Provision for Doubtful Accounts.....	2	396	623
11	Total Costs and Expenses.....		56,022	55,678
12	Gross Operating Profit.....		(2,013)	(2,100)
13	Depreciation and Amortization.....	4	4,420	4,326
	Charges from Affiliates Other than Interest:			
14	Management Fees.....		0	0
15	Other.....	14	1,461	1,298
16	Income (Loss) from Operations.....		(7,894)	(7,724)
	Other Income (Expenses):			
17	Interest Expense - Affiliates.....	6	(6,417)	(6,854)
18	Interest Expense - External.....	6	(202)	(156)
19	CRDA Related Income (Expense) - Net.....	16	(214)	(211)
20	Nonoperating Income (Expense) - Net.....	15	87	(145)
21	Total Other Income (Expenses).....		(6,746)	(7,366)
22	Income (Loss) Before Taxes and Extraordinary Items.....		(14,640)	(15,090)
23	Provision (Credit) for Income Taxes.....	7	0	0
24	Income (Loss) Before Extraordinary Items.....		(14,640)	(15,090)
	Extraordinary Items (Net of Income Taxes -			
25	2013, \$0; 2012, \$0).....		0	0
26	Net Income (Loss).....		(\$14,640)	(\$15,090)

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRUMP TAJ MAHAL ASSOCIATES, LLC STATEMENTS OF CHANGES IN PARTNERS', PROPRIETOR'S OR MEMBERS' EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2012
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2013

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	Contributed Capital (c)	Accumulated Earnings (Deficit) (d)	(e)	Total Equity (Deficit) (f)
1	Balance, December 31, 2011.....		\$160,092	(\$4,961)		\$155,131
2	Net Income (Loss) - 2012.....			(7,400)		(7,400)
3	Capital Contributions.....					0
4	Capital Withdrawals.....					0
5	Partnership Distributions.....					0
6	Prior Period Adjustments.....					0
7	_____					0
8	_____					0
9	_____					0
10	Balance, December 31, 2012.....		160,092	(12,361)	0	147,731
11	Net Income (Loss) - 2013.....			(30,600)		(30,600)
12	Capital Contributions.....					0
13	Capital Withdrawals.....					0
14	Partnership Distributions.....					0
15	Prior Period Adjustments.....					0
16	_____					0
17	_____					0
18	_____					0
19	Balance, December 31, 2013.....		\$160,092	(\$42,961)	\$0	\$117,131

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRUMP TAJ MAHAL ASSOCIATES, LLC

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2013 AND 2012

(UNAUDITED)

(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2013 (c)	2012 (d)
1	CASH PROVIDED (USED) BY OPERATING ACTIVITIES..		\$525	\$9,005
	CASH FLOWS FROM INVESTING ACTIVITIES:			
2	Purchase of Short-Term Investments		0	0
3	Proceeds from the Sale of Short-Term Investments		0	0
4	Cash Outflows for Property and Equipment.....		(3,935)	(4,732)
5	Proceeds from Disposition of Property and Equipment.....		0	1,949
6	CRDA Obligations	16	(3,239)	(3,977)
7	Other Investments, Loans and Advances made.....		0	0
8	Proceeds from Other Investments, Loans, and Advances		0	0
9	Cash Outflows to Acquire Business Entities.....		0	0
10		0	0
11		0	0
12	Net Cash Provided (Used) By Investing Activities.....		(7,174)	(6,760)
	CASH FLOWS FROM FINANCING ACTIVITIES:			
13	Proceeds from Short-Term Debt		0	0
14	Payments to Settle Short-Term Debt.....		0	0
15	Proceeds from Long-Term Debt	6	1,760	0
16	Costs of Issuing Debt.....		0	0
17	Payments to Settle Long-Term Debt.....	6	(627)	(380)
18	Cash Proceeds from Issuing Stock or Capital Contributions...		0	0
19	Purchases of Treasury Stock.....		0	0
20	Payments of Dividends or Capital Withdrawals.....		0	0
21	Borrowings/(Repayments) of Grid Note Payable		4,684	(9,942)
22			
23	Net Cash Provided (Used) By Financing Activities.....		5,817	(10,322)
24	Net Increase (Decrease) in Cash and Cash Equivalents.....		(832)	(8,077)
25	Cash and Cash Equivalents at Beginning of Period.....		19,932	28,009
26	Cash and Cash Equivalents at End of Period.....		\$19,100	\$19,932
	CASH PAID DURING PERIOD FOR:			
27	Interest (Net of Amount Capitalized).....		\$26,423	\$28,159
28	Income Taxes.....	7	\$0	\$701

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRUMP TAJ MAHAL ASSOCIATES, LLC

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2013 AND 2012

(UNAUDITED)

(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2013 (c)	2012 (d)
	CASH FLOWS FROM OPERATING ACTIVITIES:			
29	Net Income (Loss).....		(\$30,600)	(\$7,400)
30	Depreciation and Amortization of Property and Equipment.....	2 & 4	17,581	17,186
31	Amortization of Other Assets.....		0	0
32	Amortization of Debt Discount or Premium.....		0	0
33	Deferred Income Taxes - Current		0	0
34	Deferred Income Taxes - Noncurrent		0	0
35	(Gain) Loss on Disposition of Property and Equipment.....		(43)	(84)
36	(Gain) Loss on CRDA-Related Obligations.....	16	1,051	1,206
37	(Gain) Loss from Other Investment Activities.....		0	0
38	(Increase) Decrease in Receivables and Patrons' Checks	9	17,502	(5,153)
39	(Increase) Decrease in Inventories		(27)	332
40	(Increase) Decrease in Other Current Assets.....		351	1,929
41	(Increase) Decrease in Other Assets.....		1,521	(410)
42	Increase (Decrease) in Accounts Payable.....		(921)	515
43	Increase (Decrease) in Other Current Liabilities	8,13&14	(3,824)	517
44	Increase (Decrease) in Other Liabilities	8	(1,437)	1,899
45	Asset Impairment Charge	4	0	1,100
46	Income from Property Tax Settlement	9	(629)	(2,632)
47	Net Cash Provided (Used) By Operating Activities.....		\$525	\$9,005

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	ACQUISITION OF PROPERTY AND EQUIPMENT:			
48	Additions to Property and Equipment.....		(\$3,935)	(\$4,732)
49	Less: Capital Lease Obligations Incurred.....		0	0
50	Cash Outflows for Property and Equipment.....		(\$3,935)	(\$4,732)
	ACQUISITION OF BUSINESS ENTITIES:			
51	Property and Equipment Acquired.....		\$0	\$0
52	Goodwill Acquired.....		0	0
53	Other Assets Acquired - net		0	0
54	Long-Term Debt Assumed.....		0	0
55	Issuance of Stock or Capital Invested.....		0	0
56	Cash Outflows to Acquire Business Entities.....		\$0	\$0
	STOCK ISSUED OR CAPITAL CONTRIBUTIONS:			
57	Total Issuances of Stock or Capital Contributions.....		\$0	\$0
58	Less: Issuances to Settle Long-Term Debt.....		0	0
59	Consideration in Acquisition of Business Entities.....		0	0
60	Cash Proceeds from Issuing Stock or Capital Contributions.....		\$0	\$0

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRUMP TAJ MAHAL ASSOCIATES, LLC
SCHEDULE OF PROMOTIONAL
EXPENSES AND ALLOWANCES

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2013
(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	389,737	\$28,681	0	\$0
2	Food	377,363	10,643	62,686	3,124
3	Beverage	1,363,842	8,299	0	0
4	Travel	0	0	11,603	4,438
5	Bus Program Cash	0	0	0	0
6	Promotional Gaming Credits	2,768,544	37,784	0	0
7	Complimentary Cash Gifts	82,648	7,707	0	0
8	Entertainment	31,574	1,476	113	97
9	Retail & Non-Cash Gifts	44,414	1,214	108,152	3,579
10	Parking	0	0	280,806	842
11	Other	5,689	245	13,753	630
12	Total	5,063,811	\$96,049	477,113	\$12,710

FOR THE THREE MONTHS ENDED DECEMBER 31, 2013

Line (a)	Description (b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	87,768	\$6,435		
2	Food	84,242	2,400	16,262	783
3	Beverage	259,000	1,692		
4	Travel			2,431	824
5	Bus Program Cash				
6	Promotional Gaming Credits	644,228	9,613		
7	Complimentary Cash Gifts	18,103	1,067		
8	Entertainment	11,795	399	6	17
9	Retail & Non-Cash Gifts	11,800	351	13,859	905
10	Parking			50,482	151
11	Other	1,209	65	3,360	145
12	Total	1,118,145	\$22,022	86,400	\$2,825

*No item in this category (Other) exceeds 5%.

**TRUMP TAJ MAHAL ASSOCIATES, LLC
STATEMENT OF CONFORMITY,
ACCURACY, AND COMPLIANCE**

FOR THE QUARTER ENDED DECEMBER 31, 2013

1. I have examined this Quarterly Report.
2. All the information contained in this Quarterly Report has been prepared in conformity with the Division's Quarterly Report Instructions and Uniform Chart of Accounts.
3. To the best of my knowledge and belief, the information contained in this report is accurate.
4. To the best of my knowledge and belief, except for the deficiencies noted below, the licensee submitting this Quarterly Report has remained in compliance with the financial stability regulations contained in N.J.S.A. 5:12-84a(1)-(5) during the quarter.

3/31/2014

Date



Daniel McFadden

Chief Financial Officer

Title

7167-11

License Number

On Behalf of:

TRUMP TAJ MAHAL ASSOCIATES, LLC

Casino Licensee

TRUMP TAJ MAHAL ASSOCIATES, LLC
NOTES TO FINANCIAL STATEMENTS
(unaudited)
(in thousands)

NOTE 1 - GENERAL

Organization and Operations

Trump Taj Mahal Associates LLC (“Taj Associates” or the “Company”), a New Jersey Limited Liability Corporation, is 100% beneficially owned by Trump Entertainment Resorts Holdings, L.P. (“TER Holdings”), a Delaware limited partnership. TER Holdings is a wholly-owned subsidiary of Trump Entertainment Resorts, Inc. (“TER”), a Delaware corporation.

Taj Associates owns and operates the Trump Taj Mahal Casino Resort (“Trump Taj Mahal”), an Atlantic City, New Jersey hotel, casino and convention center complex. Taj Associates derives its revenue primarily from casino operations, room rental, food and beverage sales, and entertainment revenue. The casino industry in Atlantic City is seasonal in nature with the peak season being the spring and summer months.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared pursuant to the rules and regulations of the Casino Control Commission of the State of New Jersey (the “CCC”) and the New Jersey Division of Gaming Enforcement (the “DGE”). In the opinion of management, all adjustments, consisting of only normal recurring adjustments necessary to present fairly the financial position, the results of operations, and cash flows for the periods presented, have been made.

In preparing the accompanying financial statements, the Company has reviewed, as determined necessary by the Company’s management, events that have occurred after December 31, 2013 through March 31, 2014, the date the financial statements were available for issuance.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers cash and all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Cash and cash equivalents include the following:

	December 31,	
	2013	2012
Unrestricted cash and cash equivalents	\$ 18,770	\$ 19,932
Restricted cash - internet gaming patron accounts	330	-
Total	<u>\$ 19,100</u>	<u>\$ 19,932</u>

Cash and cash equivalents at December 31, 2013 included restricted cash related to patron deposits associated with the Company’s internet gaming operations. Pursuant to N.J.A.C 13:69O-1.3(j), the Company maintains a separate New Jersey bank account to ensure security of funds held in patrons’ internet gaming accounts. On December 31, 2013, the balance in such bank account was \$975 and patron deposits in internet gaming accounts were \$330.

TRUMP TAJ MAHAL ASSOCIATES, LLC
NOTES TO FINANCIAL STATEMENTS
(unaudited)
(in thousands)

Revenue Recognition and Allowance for Doubtful Accounts

The majority of the Company's revenue is derived from gaming activities. As gaming revenues are primarily generated from cash transactions, the Company's revenues do not typically require the use of estimates. Land-based gaming revenues represent the difference between amounts of gaming wins and losses. Internet gaming revenues represent the difference between amounts of gaming wins and losses and are recorded within gaming revenues, net of amounts due to the Company's internet gaming provider. Revenues from hotel and other services are recognized at the time the related services are performed. The Company extends credit on a discretionary basis to certain qualified patrons. Credit limits are established for approved casino customers following investigations of creditworthiness. The Company maintains an allowance for doubtful accounts based on a specific review of customer accounts as well as a review of the history of write-offs of returned markers. Accounts are written off when it is determined that an account is uncollectible. Recoveries of accounts previously written off are recorded when received. Management believes that the reserve recorded is reasonable; however, these estimates could change based on the actual collection experience with each returned marker.

Inventories

Inventories of provisions and supplies are carried at the lower of cost (weighted average) or market value.

Property and Equipment

The carrying value of property and equipment acquired prior to July 16, 2010, the effective date of the Supplemental Modified Sixth Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code Proposed by the Debtors and the Ad Hoc Committee of Holders of 8.5% Senior Secured Notes Due 2015 (the "Plan of Reorganization"), is based on its allocation of reorganization value and is being depreciated on the straight-line method using rates based on estimated remaining useful lives. Property and equipment acquired on or after July 16, 2010 is recorded at cost. Property and equipment is depreciated on the straight-line method using rates based on the estimated annual useful lives as follows:

Buildings and building improvements	40 years
Furniture, fixtures and equipment	3 - 10 years
Leasehold improvements	40 years or remaining life of lease

Depreciation expense includes amortization of assets under capital lease obligations.

Long-Lived Assets

In accordance with the Financial Accounting Standards Board's Accounting Standards Codification ("ASC") Topic 360 – "Property, Plant and Equipment" ("ASC 360"), when events or circumstances indicate that the carrying amount of long-lived assets to be held and used might not be recoverable, the estimated future undiscounted cash flows from the assets is estimated and compared with the carrying amount of the assets. If the sum of the estimated undiscounted cash flows is less than the carrying amount of the assets, an impairment loss would be recorded. The impairment loss would be measured by comparing the fair value of the long-lived asset with its carrying amount. Long-lived assets that are held for sale are reported at the lower of the assets' carrying amount or fair value less costs related to the assets' disposition and are no longer depreciated.

Intangible Assets

In accordance with ASC Topic 350 – "Intangibles – Goodwill and Other" ("ASC 350"), intangible assets are amortized over their estimated useful lives unless their lives are determined to be indefinite. Intangible assets with indefinite lives are not amortized but are subject to tests for impairment at least annually. ASC 350 requires that impairment tests be performed more frequently than annually if events or circumstances indicate that the value of intangible assets with indefinite lives might be impaired.

TRUMP TAJ MAHAL ASSOCIATES, LLC
NOTES TO FINANCIAL STATEMENTS
(unaudited)
(in thousands)

Self-Insurance Reserves

Self-insurance reserves represent the estimated amounts of uninsured claims related to employee medical costs, workers' compensation and personal injury claims that have occurred in the normal course of business. These reserves are established by management based upon specific review of open claims, with consideration of incurred but not reported claims as of the balance sheet date. The costs of the ultimate disposition of these claims may differ from these reserve amounts.

Promotional Allowances

The retail value of accommodations, food, beverage, and other services provided to patrons without charge is included in revenue and deducted as promotional allowances. The estimated costs of providing such promotional allowances are included in Cost of Goods and Services in the accompanying statements of income and consist of the following:

	Year Ended December 31,	
	2013	2012
Rooms	\$ 13,019	\$ 13,772
Food and beverage	19,861	22,744
Other	2,859	2,654
	\$ 35,739	\$ 39,170

Cash discounts based upon a negotiated amount with each affected patron are recognized as promotional allowances on the date the related revenue is recorded. Customer loyalty program awards based upon earning points for future redemption that are given to patrons are accrued as the patron earns the points. The amount is recorded as Promotional Allowances in the statements of income.

The Company offers other incentive programs. These programs include gift giveaways and other promotional programs. Management elects the type of gift and the person to whom it will be offered. Since these awards are not cash awards, Taj Associates records them as Selling, General and Administrative Expense in the statements of income. Such amounts are expensed on the date the award is utilized by the patron.

Gaming Taxes

Atlantic City casinos are required to pay an annual tax of 8.0% on their gross land-based casino revenues (excluding simulcasting revenues) and 15% on their gross internet gaming revenues. The Company's gross revenue tax expense, net of promotional gaming credit deductions, was \$18,482 and \$19,945 for the years ended December 31, 2013 and 2012, respectively. Such amounts are included in Cost of Goods and Services on the accompanying statements of income.

Advertising Expense

Taj Associates expenses advertising costs as they are incurred. Advertising expense was \$2,725 and \$2,342 for the years ended December 31, 2013 and 2012, respectively.

Reclassifications

Certain reclassifications and disclosures have been made to the prior year financial statements to conform to the current year presentation.

TRUMP TAJ MAHAL ASSOCIATES, LLC
NOTES TO FINANCIAL STATEMENTS
(unaudited)
(in thousands)

NOTE 3 - EVACUATIONS AND CLOSURES OF FACILITIES

Superstorm Sandy

During late October 2012, an unusual mix of a hurricane and winter storm (“Superstorm Sandy”) caused widespread property damage and flooding to numerous regions along the Eastern United States. On October 27, 2012, in anticipation of Superstorm Sandy, the Governor of New Jersey ordered the closure of all businesses and the evacuation of Atlantic City, New Jersey. On October 28, 2012, the DGE ordered the temporary suspension of all twelve Atlantic City gaming licenses. The DGE vacated its order on November 2, 2012. Trump Taj Mahal closed to the public on October 28, 2012. Although Superstorm Sandy made landfall in close proximity to Atlantic City, Trump Taj Mahal sustained minor physical damage and was able to reopen on November 2, 2012. The Company’s results of operations were, and we believe continue to be, negatively impacted due to the closure and the extensive damage sustained within its primary feeder markets in the Mid-Atlantic Region.

The Company filed a claim for approximately \$9,600 with its insurance carriers relating to losses incurred through March 31, 2013 in connection with Superstorm Sandy. The Company is in the process of calculating the adverse impact that it believes the storm has had on its results of operations subsequent to March 31, 2013 for submission to the insurance carriers. While the Company has insurance that covers losses related to property damage and business interruptions, losses sustained may either be subject to significant deductibles or unfavorable coverage interpretation by the insurance carriers, or a combination of both. No payment has been received to date, nor have the carriers approved our claim. There can be no assurance that the carriers will agree with our claim and accordingly, may not pay any or part of the claim.

NOTE 4 - PROPERTY AND EQUIPMENT

	December 31,	
	2013	2012
Land and land improvements	\$ 36,180	\$ 36,180
Buildings and building improvements	303,415	303,173
Furniture, fixtures and equipment	44,436	40,930
Construction-in-progress	292	64
	<u>384,323</u>	<u>380,347</u>
Less: accumulated depreciation and amortization	(66,212)	(48,565)
Net property and equipment	<u>\$ 318,111</u>	<u>\$ 331,782</u>

Due to certain events and circumstances, including the continuing negative effects of regional competition on the Company’s results, the Company performed impairment testing related to its long-lived assets in accordance with ASC 360 during the fourth quarter of 2013. Based upon its review, the sum of the estimated undiscounted future cash flows expected to be generated by the long-lived asset group of Trump Taj Mahal exceeded the carrying values of those assets. Therefore, the second step of impairment testing under ASC 360 was not required. However, based upon current market conditions and management’s estimates, the carrying value of Trump Taj Mahal’s long-lived assets may exceed their fair value.

On May 8, 2012, the Company completed the sale of its off-site warehouse (the “EHT Property”) located in Egg Harbor Township, New Jersey to Schoffer Enterprises, LLC pursuant to the terms of an Agreement of Sale dated as of February 6, 2012. The net cash proceeds of the transaction were \$1,949.

In accordance with ASC 360, during the first quarter of 2012, the Company recorded a non-cash asset impairment charge of \$1,100 to record the EHT Property at its fair value less costs to sell. Such amount is reflected in Non-operating Income in the statement of income for the year ended December 31, 2012.

TRUMP TAJ MAHAL ASSOCIATES, LLC
NOTES TO FINANCIAL STATEMENTS
(unaudited)
(in thousands)

NOTE 5 – INTANGIBLE ASSETS

	As of December 31, 2013			As of December 31, 2012		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Indefinite-Lived Intangible Assets:						
Trademarks	\$ 8,700		\$ 8,700	\$ 8,700		\$ 8,700

In accordance with ASC 350, the Company reviews its indefinite-lived intangible assets for impairment at least annually and more frequently than annually if events or circumstances indicate that indefinite-lived intangible assets might be impaired.

NOTE 6 - DEBT

	December 31,	
	2013	2012
12% Revolving Grid Note - TER Holdings, due December 31, 2015, interest due and payable monthly	\$ 220,271	\$ 215,587
Capitalized lease obligations, payments due at various dates through 2028, secured by equipment financed, interest rates at 8.5% to 12%	5,427	5,588
Other long-term debt (financed slot equipment)	1,294	-
	226,992	221,175
Less: current maturities	(870)	(161)
Long-term debt, net of current maturities	\$ 226,122	\$ 221,014

12% Revolving Grid Note

On July 16, 2010, the Company entered into an Amended and Restated Revolving Grid Note (“12% Grid Note”) with TER Holdings. Pursuant to the 12% Grid Note, the Company agreed to repay up to \$250,000 of advances made by TER Holdings, including any accrued unpaid interest on outstanding advances thereon.

Guarantees

Taj Associates, along with Trump Plaza Associates, LLC (“Plaza Associates”) and Trump Marina Associates, LLC (“Marina Associates”), guarantees TER Holdings’ Amended and Restated Credit Agreement on a joint and several basis. The Amended and Restated Credit Agreement is secured by substantially all of the assets of TER Holdings and Taj Associates on a priority basis. At December 31, 2013, TER Holdings had outstanding borrowings of \$287,323 under the Amended and Restated Credit Agreement.

TRUMP TAJ MAHAL ASSOCIATES, LLC
NOTES TO FINANCIAL STATEMENTS
(unaudited)
(in thousands)

As of December 31, 2013, long-term debt and capital lease obligations mature as follows:

	Long- Term Debt	Capitalized Lease Obligations	Total
2014	\$ 756	\$ 823	\$ 1,579
2015	220,804	818	221,622
2016	99	793	892
2017	-	793	793
2018	-	793	793
Thereafter	-	7,201	7,201
Total minimum payments	<u>221,659</u>	<u>11,221</u>	<u>232,880</u>
Less: amount representing interest	(94)	(5,794)	(5,888)
Total value of principal payments	<u>\$ 221,565</u>	<u>\$ 5,427</u>	<u>\$ 226,992</u>

NOTE 7 - INCOME TAXES

Federal Income Taxes

The accompanying financial statements do not include a provision for federal income taxes since the Company is a division of TER Holdings, which is taxed as a partnership for federal income tax purposes. Therefore, the Company's income and losses are allocated and reported for federal income tax purposes by TER Holdings' partners.

State Income Taxes

Under the New Jersey Casino Control Act, the Company is required to file New Jersey corporation business tax returns. At December 31, 2013, the Company has state net operating loss carryforwards of approximately \$436,000 available to offset future taxable income. The New Jersey state net operating losses expire from 2014 through 2033.

There was no state income tax provision during the years ended December 31, 2013 and 2012.

At December 31, 2013, the Company had unrecognized tax benefits of approximately \$851. The Company's unrecognized tax benefits would not affect its effective tax rate, if recognized.

The following table summarizes the activity related to the Company's unrecognized tax benefits:

Unrecognized tax benefits at December 31, 2012	\$ 880
Increases (decreases) related to current year tax positions	29
Increases (decreases) related to prior years tax positions	-
Decreases related to settlements with taxing authorities	-
Decreases resulting from the expiration of statutes of limitations	(58)
Unrecognized tax benefits at December 31, 2013	<u>\$ 851</u>

The Company recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties as a component of income tax expense. The Company did not recognize any potential interest associated with uncertain tax positions during the years ended December 31, 2013 and 2012.

TRUMP TAJ MAHAL ASSOCIATES, LLC
NOTES TO FINANCIAL STATEMENTS
(unaudited)
(in thousands)

The tax effects of significant temporary differences representing deferred tax assets and liabilities, subject to valuation allowances are as follows:

	December 31,	
	2013	2012
Deferred tax assets:		
Accruals and prepayments	\$ 2,715	\$ 3,328
Basis differences in property and equipment, net	34,479	36,091
Basis differences in intangible and other assets	8,094	8,969
Net operating loss carryforwards	25,520	23,045
	70,808	71,433
Less: Valuation allowance	(70,707)	(69,978)
	101	1,455
Deferred tax liabilities:		
Other	(101)	(1,455)
	(101)	(1,455)
Net deferred income tax liability	\$ -	\$ -

Federal and State Income Tax Audits

Tax years 2010 through 2013 remain subject to examination by federal and state tax authorities.

From 2002 through 2006, state income taxes for the Company's New Jersey operations were computed under the alternative minimum assessment method. During December 2011, the Company entered into a Stipulation and Consent Order (the "Stipulation") with the State of New Jersey, Department of Treasury and Division of Taxation (the "Division", and together with the Company, the "Parties"), settling certain claims for unpaid taxes that were asserted by the Division in the Chapter 11 bankruptcy proceedings commenced by the Company in 2004 and 2009. The Stipulation was approved by order of the United States Bankruptcy Court for the District of New Jersey and became final and non-appealable on December 19, 2011 (the "Effective Date").

Under the terms of the Stipulation, the Parties agreed to resolve any and all claims of the Division against the Company relating to New Jersey Corporation Business Tax for periods prior to the 2009 bankruptcy (including the Division's claim for unpaid taxes relating to the years 2002 through 2006 under the alternative minimum assessment method ("AMA") of determining tax liability). On the Effective Date, pursuant to the Stipulation, the claim asserted by the Division in the Company's 2009 bankruptcy proceedings was reduced to \$2,201 (the "Settlement Payment") and was deemed to be an allowed priority tax claim, as defined in the Plan of Reorganization, in the amount of \$2,201. The Stipulation provided for the Company to make this Settlement Payment in two installments.

Pursuant to the Stipulation, in December 2011, the Company paid the first installment of the Settlement Payment, totaling \$1,500, to the Division. The second and final installment payment of \$701 was paid by the Company to the Division on April 30, 2012.

NOTE 8 - ONLINE GAMING OPERATIONS AGREEMENT

On June 24, 2013, (the "Effective Date"), Taj Associates entered into an Online Gaming Operations Agreement (the "Agreement") with Fertitta Acquisitionsco LLC, doing business as Ultimate Gaming ("UG"). Pursuant to the Agreement, UG hosts, manages, operates and supports internet gambling games in the State of New Jersey (the "Ultimate Gaming Service") on behalf of Taj Associates. Under the Agreement, in exchange for providing the Ultimate Gaming Service, UG receives a percentage of the gross online gaming revenues after the deduction of certain player-related costs, gaming taxes and CRDA investment alternative obligations.

TRUMP TAJ MAHAL ASSOCIATES, LLC
NOTES TO FINANCIAL STATEMENTS
(unaudited)
(in thousands)

Internet gaming in the State of New Jersey commenced on November 26, 2013 after a five-day test period which began on November 21, 2013. Taj Associates' share of internet gaming revenues is recognized within Casino revenues (net of amounts due to UG). Expenses related to internet gaming are reflected in Cost of Goods and Services, net of amounts reimbursed by UG to Taj Associates. Revenues and expenses associated with internet gaming during the year ended December 31, 2013 were not material to the Company's financial statements.

On the Effective Date, UG paid Taj Associates \$8,000 representing a revenue advancement fee under the Agreement. Such amount was recorded as deferred income and is included in Other Current Liabilities and Other Liabilities.

NOTE 9 - CITY OF ATLANTIC CITY REAL PROPERTY TAX APPEALS

2012 Settlement

During June 2012, TER settled with the City of Atlantic City (the "City") with respect to its challenges to the real estate tax assessments for its casino properties for the tax years 2008 through 2012. The settlement terms were set forth in the Settlement Agreement entered into as of June 13, 2012 among TER's subsidiaries Taj Associates, Plaza Associates and Marina Associates, along with Golden Nugget Atlantic City, LLC, which purchased the former Trump Marina Hotel Casino from TER during 2011, and the City. Under the original settlement terms, the City agreed to provide TER with a credit for previously paid real estate taxes in the total amount of \$54,000, to be applied against future real estate tax payments of Taj Associates as follows: \$15,000 in 2013; \$9,000 per year in each of 2014, 2015 and 2016; and \$12,000 in 2017 (the "Settlement Agreement"). The Settlement Agreement provided that the City would have the option to issue a cash refund to the Company at any time for the unused portion of the credit. As part of the settlement, Taj Associates and Plaza Associates agreed to pay real estate taxes for 2012 based upon the City's 2012 assessments. In addition, the City confirmed its intention to assess Trump Taj Mahal Casino Resort at \$1.0 billion for tax year 2013 (a 40% reduction from the 2012 assessment) and Trump Plaza Hotel Casino at \$250.0 million for tax year 2013 (a 66% reduction from the 2012 assessment), and the Company agreed not to challenge such 2013 assessments.

On October 17, 2012, TER and the City entered into an Amendment to Settlement Agreement whereby the City agreed that, upon (and subject to) completion of a successful offering by the City of its tax appeal refunding bonds, the City would, as permitted by the Settlement Agreement, pay to TER, from the proceeds of the offering, the amount of \$50,500 in cash within five days of the City's receipt of the proceeds, in lieu of the five-year credit provided for in the original Settlement Agreement. TER agreed to accept such payment in full satisfaction of amounts due under the Settlement Agreement.

On December 14, 2012, TER and the City agreed to further amend the settlement terms. Under the revised terms, the City agreed that the City would pay TER \$35,500 in cash upon receipt of proceeds from the City's bond offering, and that TER would be entitled to real estate tax credits in the aggregate amount of \$15,000, to be applied against real estate tax payments for 2013 of Taj Associates as follows: \$5,000 for the first quarter of 2013; \$3,400 for each of the second and third quarters of 2013; and \$3,200 for the fourth quarter of 2013. TER agreed to accept such payment and credits in lieu of, and in full satisfaction of, the City's obligations under the Settlement Agreement, as previously amended. On December 20, 2012, the City made the \$35,500 payment to TER. During 2013, the real estate tax credits were applied against the real estate tax payments of Taj Associates.

Taj Associates' allocated portion of the present value of the revised settlement, net of estimated legal fees and other expenses, was recorded as a reduction to Selling, General and Administrative Expenses during the quarter ended June 30, 2012 and was estimated to be \$16,759. This estimate was subsequently revised to \$17,808 during the fourth quarter of 2012. In addition, the year ended December 31, 2013 includes a credit of \$629 due to a reduction in estimated legal fees associated with the Settlement Agreement.

TRUMP TAJ MAHAL ASSOCIATES, LLC
NOTES TO FINANCIAL STATEMENTS
(unaudited)
(in thousands)

2007 Settlement Amendment

On November 26, 2012, Taj Associates entered into an agreement with the City under which the City agreed to allow Taj Associates to reduce its real estate tax payment for the fourth quarter of 2012 by application of a real estate tax credit in the amount of \$607. This credit for the fourth quarter of 2012 was in lieu of a credit in the amount of \$623 which the Company would have been entitled to take in 2013 under the terms of a settlement agreement entered into during 2007 between the Company and the City relating to prior real estate tax assessments of the Company’s casino property. The agreement regarding the use of this credit in 2012 is set forth in an amendment to the 2007 settlement agreement. This agreement between the Company and the City was unrelated to (and did not have any effect on) the Settlement Agreement discussed above.

NOTE 10 - INCOME RELATED TO UTILITY AGREEMENTS

On February 27, 2012, the Company entered into various agreements with one of its utility providers. In consideration for entering into the agreements, the Company received \$1,090 in cash and will receive rate reduction credits totaling approximately \$1,960, which are being applied against invoices for services provided in equal monthly increments of \$35 through October 2016. The Company recognized \$2,649 of income, net of related expenses, in connection with entering into these agreements. Such amount is included in Non-operating Income in the statement of income during the year ended December 31, 2012.

NOTE 11 - FAIR VALUE MEASUREMENTS

ASC Topic 820 – “Fair Value Measurements and Disclosures” (“ASC 820”) establishes a hierarchy that prioritizes fair value measurements based on the types of inputs used for the various valuation techniques (market approach, income approach and cost approach). The levels of the hierarchy are described below:

- Level 1: Observable inputs such as quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; these include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.
- Level 3: Unobservable inputs that reflect the reporting entity’s own assumptions.

Balances Measured at Fair Value

	December 31, 2013				December 31, 2012			
	Balance	Level 1	Level 2	Level 3	Balance	Level 1	Level 2	Level 3
CRDA bonds and deposits	\$ 24,680	—	\$ 24,680	—	\$ 22,540	—	\$ 22,540	—

The amounts recorded related to CRDA bonds and deposits are classified within Investments, Advances and Receivables, net, on the Balance Sheets as of December 31, 2013 and 2012. CRDA investments are discussed further in Note 16.

Balances Disclosed at Fair Value

The carrying amounts of financial instruments included in current assets and current liabilities approximate their fair values because of their short-term nature. The carrying amounts of CRDA bonds and deposits approximate their fair values as a result of allowances established to give effect to below-market interest rates.

TRUMP TAJ MAHAL ASSOCIATES, LLC
NOTES TO FINANCIAL STATEMENTS
(unaudited)
(in thousands)

The carrying amount and estimated fair value of our remaining financial instruments at December 31, are as follows:

December 31, 2013				
	Amount Outstanding	Carrying Value	Estimated Fair Value	Fair Value Hierarchy
12% Grid Note	\$ 220,271	\$ 220,271	\$ 220,271	Level 2

December 31, 2012				
	Amount Outstanding	Carrying Value	Estimated Fair Value	Fair Value Hierarchy
12% Grid Note	\$ 215,587	\$ 215,587	\$ 215,587	Level 2

* Due to the intercompany nature of the Grid Note, the fair value cannot be calculated. The Company's other long-term debt was not significant at December 31, 2013 and 2012.

NOTE 12 - OTHER ACCRUED EXPENSES

		December 31,	
		2013	2012
Accrued payroll and related taxes		\$ 6,351	\$ 7,113
Accrued CRDA obligation		712	680
Accrued AC Alliance fees		577	852
Other *		2,925	3,922
Total		\$ 10,565	\$ 12,567

* None of the individual components of Other exceed 5% of the total.

NOTE 13 – OTHER CURRENT LIABILITIES

		December 31,	
		2013	2012
Self insurance reserves		\$ 7,904	\$ 8,722
Deferred income (Note 8)		6,276	126
Unredeemed chips and tokens		1,780	1,953
Due to Affiliates		-	1,378
Trump One Card liability		1,827	1,211
Professional fees related to Property Tax Settlement		1,364	5,878
Other*		1,852	2,109
Total		\$ 21,003	\$ 21,377

* None of the individual components of Other exceed 5% of the total.

TRUMP TAJ MAHAL ASSOCIATES, LLC
NOTES TO FINANCIAL STATEMENTS
(unaudited)
(in thousands)

NOTE 14 - TRANSACTIONS WITH AFFILIATES

The Company engages in certain transactions with TER Holdings, Plaza Associates and Marina Associates, all of which are affiliates. Amounts due (from) to affiliates are as follows:

	<u>December 31,</u>	
	<u>2013</u>	<u>2012</u>
Plaza Associates	\$ (1,236)	\$ (1,478)
Marina Associates	(1,243)	(980)
TER	384	3,836
Total	<u>\$ (2,095)</u>	<u>\$ 1,378</u>

Taj Associates engages in various transactions with related casino entities that are affiliates of TER. These transactions are charged at cost or normal selling price in the case of retail items and include, but are not limited to, certain shared professional fees, insurance, advertising and payroll costs.

Trump Taj Mahal Associates Administration, a separate division of Taj Associates (“Trump Administration”) provides certain shared services to Taj Associates, Plaza Associates and Marina Associates. Trump Administration allocated expenses associated with such services to Marina Associates and Plaza Associates totaling \$2,468 and \$3,428 during the years ended December 31, 2013 and 2012, respectively. Plaza Associates and Marina Associates reimburse Trump Administration for these allocated expenses.

On May 24, 2011, TER and Marina Associates completed the sale of the Trump Marina Hotel Casino (“Trump Marina”) to Golden Nugget Atlantic City, LLC (“Golden Nugget”), an affiliate of Landry’s Restaurants, Inc., pursuant to the Asset Purchase Agreement dated as of February 11, 2011, as amended. At the closing, Golden Nugget acquired substantially all of the assets of, and assumed certain liabilities related to, the business conducted at Trump Marina.

NOTE 15 - NON-OPERATING INCOME (EXPENSE)

	<u>December 31,</u>	
	<u>2013</u>	<u>2012</u>
Interest income	\$ 473	\$ 367
Impairment charge – Off-Site Warehouse (Note 4)	-	(1,100)
Income Related to Utility Agreements (Note 10)	-	2,649
Total	<u>\$ 473</u>	<u>\$ 1,916</u>

NOTE 16 - COMMITMENTS & CONTINGENCIES

Leases

The Company has entered into leases for certain property and various equipment under operating leases. Rent expense for the years ended December 31, 2013 and 2012 was \$2,027 and \$1,564, respectively.

TRUMP TAJ MAHAL ASSOCIATES, LLC
NOTES TO FINANCIAL STATEMENTS
(unaudited)
(in thousands)

Future minimum lease payments under noncancellable operating leases as of December 31, 2013 are as follows:

2014	\$ 863
2015	505
2016	—
2017	—
2018	—
Thereafter	—
Total minimum payments	<u>\$ 1,368</u>

Certain of these leases contain options to purchase the leased properties at various prices throughout the lease terms.

Casino License Resubmission

The Company is subject to regulation and licensing by the CCC and the DGE. The Company’s casino license must be renewed periodically, is not transferable, is dependent upon the financial stability of the Company and can be revoked at any time. Due to the uncertainty of any license renewal application, there can be no assurance that the license will be renewed.

In June 2007, the CCC renewed the Company’s license to operate the Taj Mahal for the following five-year period through June 2012. During 2012, the Company and certain individuals resubmitted the required documentation supporting a renewal of their qualification and licensure and were authorized to continue to operate while the DGE performed its investigations. The DGE completed its resubmission investigation of the Company and certain individuals and determined that no information was revealed that would affect the Company’s casino license. Upon revocation, suspension for more than 120 days, or failure to renew the casino license, the Casino Control Act provides for the mandatory appointment of a conservator to take possession of the hotel and casino’s business and property, subject to all valid liens, claims and encumbrances.

Internet Gaming Permit

On October 16, 2013, the DGE issued an internet gaming permit to Taj Associates which authorizes the Company to conduct internet gaming in the State of New Jersey. The permit expires on October 16, 2014 and is renewable annually. Internet gaming in the State of New Jersey commenced on November 26, 2013 (See Note 8).

Legal Proceedings

Taj Associates and certain of its employees are involved from time to time in various legal proceedings incidental to the Company’s business. While any proceeding or litigation contains an element of uncertainty, management believes that the final outcomes of these matters are not likely to have a material adverse effect on the Company’s results of operations or financial condition. In general, the Company has agreed to indemnify such persons, and its directors, against any and all losses, claims, damages, expenses (including reasonable costs, disbursements and counsel fees) and liabilities (including amounts paid or incurred in satisfaction of settlements, judgments, fines and penalties) incurred by them in said legal proceedings absent a showing of such persons’ gross negligence or malfeasance.

Casino Reinvestment Development Authority Obligations

As required by the provisions of the Casino Control Act, a casino licensee must pay an investment alternative tax of 2.5% of its gross land-based casino revenues as defined in the New Jersey Casino Control Act. However, pursuant to a contract with the CRDA, the Company pays 1.25% of its gross land-based casino revenues to the CRDA (the “CRDA Payment”) to fund qualified investments as defined in the Casino Control Act and such CRDA Payment entitles the Company to an investment tax credit in an amount equal to twice the amount of the CRDA Payment against the 2.5% investment alternative tax. Qualified investments may include the purchase of bonds issued by the

TRUMP TAJ MAHAL ASSOCIATES, LLC
NOTES TO FINANCIAL STATEMENTS
(unaudited)
(in thousands)

CRDA at a below market rate of interest, direct investment in projects or donation of funds to projects as determined by the CRDA. In addition, the Company must pay an investment alternative tax of 2.5% of the gross casino revenues related to its internet gaming operations.

According to the Act, funds on deposit with the CRDA are invested by the CRDA and the resulting interest income is shared two-thirds to the casino and one-third to the CRDA. Further, the Act requires that CRDA bonds be issued at statutory rates established at two-thirds of the average rate of the Bond Buyer Weekly 25 Revenue Bond Index for bonds available for purchase during the last 26 weeks preceding the date the CRDA issues its bond. The Company records charges to expense equal to one-third of its obligation to reflect the lower return on investment at the date the obligation arises. Pursuant to the contract with the CRDA, the Company is required to make quarterly deposits with the CRDA to satisfy its investment obligations.

For the years ended December 31, 2013 and 2012, the Company charged to operations \$1,051 and \$1,206, respectively, to give effect to the below market interest rates associated with CRDA deposits and bonds.

CRDA investments reflected on the accompanying balance sheets are comprised of the following:

	December 31,	
	2013	2012
CRDA deposits, net of allowances of \$4,568 and \$3,454, respectively	\$ 18,003	\$ 15,947
CRDA bonds, net of allowances of \$2,338 and \$2,281, respectively	6,677	6,593
	\$ 24,680	\$ 22,540

In 1995, the CRDA passed a resolution establishing a Donation Credit Policy to serve as a guide regarding donations made by casino licensees from their available CRDA Payments. During March 2014, subsequent to December 31, 2013, and in conformance with that policy, the Company requested that the CRDA approve a cash-back credit in the amount of \$9,870 in exchange for a donation of \$29,563 of gross deposits previously made by Trump Taj Mahal to the CRDA Atlantic City Housing and Community Development Fund and the Atlantic City Tourism District and Community Development Fund (the “CRDA Transaction”). By resolution dated March 18, 2014, the CRDA approved the CRDA Transaction.

Subject to receipt of final approvals of the CRDA Transaction, the Company expects to recognize approximately \$7,800 of expense during 2014 to record the deposits donated pursuant to the CRDA Transaction at their net realizable value.

Atlantic City Tourism District

In February 2011, as part of the State of New Jersey’s plan to revitalize Atlantic City’s casino and tourism industries, a law was enacted requiring the creation of a tourism district (the “Tourism District”) to be administered and managed by the CRDA. The Tourism District includes each of the Atlantic City casino properties, along with certain other tourism related areas of Atlantic City. The law requires, among other things, the creation of a public-private partnership between the CRDA and a private entity that represents existing and future casino licensees. The private entity, known as The Atlantic City Alliance (the “ACA”), was established in the form of a not-for-profit corporation, of which the Company is a member. The public-private partnership established between the ACA and the CRDA is for an initial term of five years. Its general purpose is to revitalize and market the Tourism District. The law requires the casinos to make an annual contribution of \$30,000 commencing January 1, 2012 for a term of five years. Each casino’s portion of the annual contributions will equate to the percentage representing its gross gaming revenue for the prior calendar year compared to the aggregate gross gaming revenues for that period for all casinos. During the year ended December 31, 2013, the Company recognized \$2,583 related to its portion of the \$30,000 contribution made during 2013, net of a true up of expense for the prior year. During the year ended December 31, 2012, the Company recognized \$3,060 related to its portion of the \$30,000 contribution made during 2012.

TRUMP TAJ MAHAL ASSOCIATES, LLC
NOTES TO FINANCIAL STATEMENTS
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(in thousands)

Boardwalk Revitalization Project

During 2004, the Boardwalk Revitalization Fund was established by the CRDA to fund eligible boardwalk revitalization projects. The Boardwalk Revitalization Fund may be funded by a portion of the proceeds of the issuance and sale of certain Parking Fee Revenue Bonds and Atlantic City Fund Investment Alternative Tax Obligations.

During November 2011, the CRDA approved Taj Associates' application for the restoration of its building façade and other elements along its Boardwalk level, its three connecting grand staircases and its open-air second level promenade for its entire frontage along the Atlantic City Boardwalk (the "Boardwalk Façade Project") and approved a fund reservation in the amount of \$6,859 from such funds to be appropriated from Taj Associates' and Plaza Associates' remaining designated share of the Boardwalk Revitalization Fund.

A Project Grant Agreement dated as of March 30, 2012 was entered into by and between the CRDA and Taj Associates and Plaza Associates (the "Project Grant Agreement"). Pursuant to the Project Grant Agreement, the amount available from the Boardwalk Revitalization Fund to fund the Boardwalk Façade Project could not exceed \$6,859 and excess amounts necessary to complete the Boardwalk Façade Project, if any, would have been borne by Taj Associates. Construction on the Project commenced in 2012 and was completed during 2013.

NOTE 17 - EMPLOYEE BENEFIT PLANS

401(k) Plan

The Company participates in a retirement savings plan for its nonunion employees under Section 401(k) of the Internal Revenue Code ("401(k) Plan"). The 401(k) Plan is sponsored by TER Holdings. The Company may elect to match a portion of participants' contributions on an annual basis as determined by management. There were no matching contributions made under the 401(k) Plan during the years ended December 31, 2013 and 2012.

Multi-Employer Pension Plans

Approximately 1,300 of the Company's hotel and restaurant employees are subject to a collective bargaining agreement with the UNITE HERE International Union, Local 54 ("UNITE HERE"). In connection with the UNITE HERE collective bargaining agreement, the Company participates in the Pension Plan of the National Retirement

Fund (EIN: 13-6130178 Plan Number: 001) (the "Fund"). On March 31, 2010, the Fund was certified in critical status by the Fund's actuary under the federal multi-employer plan funding laws pursuant to the Pension Protection Act of 2006. In connection with the certification, the Fund's board of trustees adopted a rehabilitation plan effective on April 1, 2010 (the "Rehabilitation Plan") with the goal of enabling the Fund to emerge from critical status by January 1, 2023. The Rehabilitation Plan provides for certain increases in employer contributions and, in some cases, a reduction in participant benefits. The Company was required to select one of three schedules of future accrual and contribution rates proposed under the Rehabilitation Plan, all of which provided for increased monthly contributions. On May 27, 2010, the Company agreed upon a schedule with UNITE HERE pursuant to which it began making increased monthly contributions to the Fund on January 1, 2012.

Under applicable federal law, any employer contributing to a multi-employer pension plan that completely ceases participating in the plan while it is underfunded is subject to payment of such employer's assessed share of the aggregate unfunded vested benefits of the plan. In certain circumstances, an employer can also be assessed a withdrawal liability for a partial withdrawal from a multi-employer pension plan. The amount of the Company's potential exposure with respect to the Fund depends on, among other things, the nature and timing of any triggering events and the funded status of the Fund at that time. If, in the future, the Company elects to withdraw from the Fund, additional liabilities would need to be recorded. While it is possible that this would occur in the future, the Company has not made any decision to incur a partial or complete withdrawal from the Fund. If any of these adverse events were to occur in the future, it could result in a substantial withdrawal liability assessment that could have a material adverse effect on the Company's financial condition, results of operations and cash flows.

TRUMP TAJ MAHAL ASSOCIATES, LLC
NOTES TO FINANCIAL STATEMENTS
(unaudited)
(in thousands)

The Company's pension contributions to the Fund during the years ended December 31, 2013 and 2012 were \$3,694 and \$3,643, respectively. The Company's pension contributions to the Fund did not exceed 5% of the Fund's total contributions during the year ended December 31, 2013.

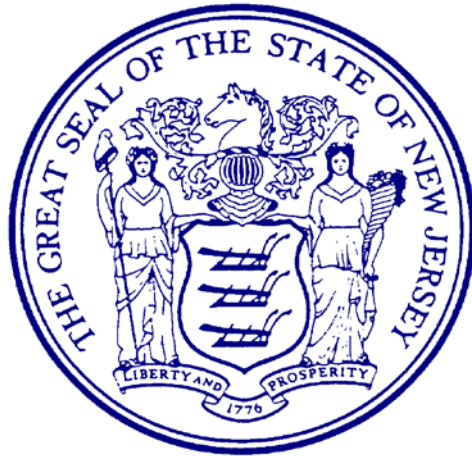
Contributions to other multi-employer pension plans during the years ended December 31, 2013 and 2012 were \$482 and \$558, respectively.

TRUMP TAJ MAHAL ASSOCIATES, LLC

ANNUAL FILINGS

FOR THE YEAR ENDED DECEMBER 31, 2013

**SUBMITTED TO THE
DIVISION OF GAMING ENFORCEMENT
OF THE
STATE OF NEW JERSEY**



**OFFICE OF FINANCIAL INVESTIGATIONS
REPORTING MANUAL**

TRUMP TAJ MAHAL ASSOCIATES, LLC
ANNUAL SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS
FOR THE YEAR ENDED DECEMBER 31, 2013

(UNAUDITED)
(\$ IN THOUSANDS)

ACCOUNTS RECEIVABLE BALANCES				
Line (a)	Description (b)	Account Balance (c)	Allowance (d)	Accounts Receivable (Net of Allowance) (e)
	Patrons' Checks:			
1	Undeposited Patrons' Checks.....	\$4,030		
2	Returned Patrons' Checks.....	6,607		
3	Total Patrons' Checks.....	10,637	\$5,601	\$5,036
4	Hotel Receivables.....	1,501	168	\$1,333
	Other Receivables:			
5	Receivables Due from Officers and Employees....			
6	Receivables Due from Affiliates.....			
7	Other Accounts and Notes Receivables.....	1,628		
8	Total Other Receivables.....	1,628		\$1,628
9	Totals (Form DGE-205).....	\$13,766	\$5,769	\$7,997

UNDEPOSITED PATRONS' CHECKS ACTIVITY		
Line (f)	Description (g)	Amount (h)
10	Beginning Balance (January 1).....	\$5,439
11	Counter Checks Issued.....	129,610
12	Checks Redeemed Prior to Deposit.....	(101,095)
13	Checks Collected Through Deposits.....	(24,750)
14	Checks Transferred to Returned Checks.....	(5,174)
15	Other Adjustments.....	
16	Ending Balance.....	\$4,030
17	"Hold" Checks Included in Balance on Line 16.....	0
18	Provision for Uncollectible Patrons' Checks.....	\$1,386
19	Provision as a Percent of Counter Checks Issued.....	1.1%

TRUMP TAJ MAHAL ASSOCIATES, LLC

ANNUAL EMPLOYMENT AND PAYROLL REPORT

AT DECEMBER 31, 2013

(\$ IN THOUSANDS)

Line (a)	Department (b)	Number of Employees (c)	Salaries and Wages		
			Other Employees (d)	Officers & Owners (e)	Totals (f)
	CASINO:				
1	Table and Other Games	699			
2	Slot Machines	65			
3	Administration	4			
4	Casino Accounting	117			
5	Simulcasting	0			
6	Other	9			
7	Total - Casino	894	\$19,919	\$108	\$20,027
8	ROOMS	397	8,578	305	8,883
9	FOOD AND BEVERAGE	750	15,975	0	15,975
10	GUEST ENTERTAINMENT	38	1,871	0	1,871
11	MARKETING	104	4,929	296	5,225
12	OPERATION AND MAINTENANCE	190	6,936	0	6,936
	ADMINISTRATIVE AND GENERAL:				
13	Executive Office	0	0	0	0
14	Accounting and Auditing	72	2,249	196	2,445
15	Security	170	5,455	0	5,455
16	Other Administrative and General	62	3,041	158	3,199
	OTHER OPERATED DEPARTMENTS:				
17	Transportation	77	1,216		1,216
18	Health Club	10	238		238
19	Retail Operations	13	267		267
20					0
21					0
22					0
23	TOTALS - ALL DEPARTMENTS	2,777	\$70,674	\$1,063	\$71,737