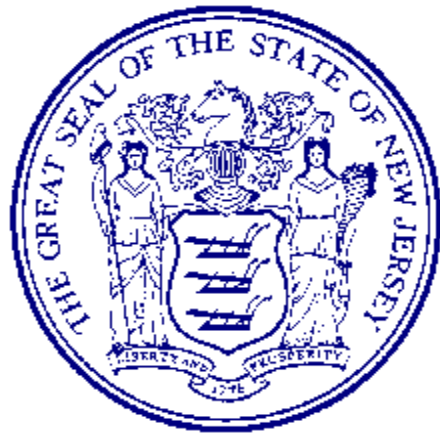


**TRUMP PLAZA ASSOCIATES, LLC
QUARTERLY REPORT**

FOR THE QUARTER ENDED MARCH 31, 2014

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



**OFFICE OF FINANCIAL INVESTIGATIONS
REPORTING MANUAL**

TRUMP PLAZA ASSOCIATES, LLC

BALANCE SHEETS

AS OF MARCH 31, 2014 AND 2013

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
	<u>ASSETS:</u>			
	Current Assets:			
1	Cash and Cash Equivalents.....	1	\$8,430	\$7,614
2	Short-Term Investments.....		0	0
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2014, \$1,190 ; 2013, \$1,599).....		1,795	2,342
4	Inventories		324	379
5	Other Current Assets.....		770	726
6	Total Current Assets.....		11,319	11,061
7	Investments, Advances, and Receivables.....	7 & 8	5,852	12,514
8	Property and Equipment - Gross.....		68,417	66,663
9	Less: Accumulated Depreciation and Amortization.....		(49,670)	(48,205)
10	Property and Equipment - Net.....		18,747	18,458
11	Other Assets.....		1,109	1,294
12	Total Assets.....		\$37,027	\$43,327
	<u>LIABILITIES AND EQUITY:</u>			
	Current Liabilities:			
13	Accounts Payable.....		\$3,943	\$2,707
14	Notes Payable.....		0	0
	Current Portion of Long-Term Debt:			
15	Due to Affiliates.....		0	0
16	External.....	2	328	0
17	Income Taxes Payable and Accrued.....	4	0	0
18	Other Accrued Expenses.....		4,754	5,751
19	Other Current Liabilities.....	3 & 5	17,940	8,169
20	Total Current Liabilities.....		26,965	16,627
	Long-Term Debt:			
21	Due to Affiliates.....	2 & 8	75,000	75,000
22	External.....	2	247	0
23	Deferred Credits		0	0
24	Other Liabilities.....		5,500	4,009
25	Commitments and Contingencies.....		0	0
26	Total Liabilities.....		107,712	95,636
27	Stockholders', Partners', or Proprietor's Equity.....		(70,685)	(52,309)
28	Total Liabilities and Equity.....		\$37,027	\$43,327

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

TRUMP PLAZA ASSOCIATES, LLC

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
	Revenue:			
1	Casino.....		\$12,124	\$16,888
2	Rooms.....		3,489	3,711
3	Food and Beverage.....		1,069	1,443
4	Other.....		740	783
5	Total Revenue.....		17,422	22,825
6	Less: Promotional Allowances.....		4,746	6,040
7	Net Revenue.....		12,676	16,785
	Costs and Expenses:			
8	Casino.....		4,826	6,538
9	Rooms, Food and Beverage.....		3,102	3,550
10	General, Administrative and Other.....		8,881	8,119
11	Total Costs and Expenses.....		16,809	18,207
12	Gross Operating Profit.....		(4,133)	(1,422)
13	Depreciation and Amortization.....		403	315
	Charges from Affiliates Other than Interest:			
14	Management Fees.....		0	0
15	Other.....	5	525	591
16	Income (Loss) from Operations.....		(5,061)	(2,328)
	Other Income (Expenses):			
17	Interest Expense - Affiliates.....	2	0	(2,209)
18	Interest Expense - External.....	2	(115)	(132)
19	CRDA Related Income (Expense) - Net.....	7	(147)	(114)
20	Nonoperating Income (Expense) - Net.....	6	50	52
21	Total Other Income (Expenses).....		(212)	(2,403)
22	Income (Loss) Before Taxes and Extraordinary Items.....		(5,273)	(4,731)
23	Provision (Credit) for Income Taxes.....	4	0	0
24	Income (Loss) Before Extraordinary Items.....		(5,273)	(4,731)
	Extraordinary Items (Net of Income Taxes -			
25	2014, \$0; 2013, \$0).....		0	0
26	Net Income (Loss).....		(\$5,273)	(\$4,731)

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

TRUMP PLAZA ASSOCIATES, LLC

STATEMENTS OF CHANGES IN PARTNERS', PROPRIETOR'S OR MEMBERS' EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2013
AND THE THREE MONTHS ENDED MARCH 31, 2014

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	Contributed Capital (c)	Accumulated Earnings (Deficit) (d)	(e)	Total Equity (Deficit) (f)
1	Balance, December 31, 2012.....		\$11,634	(\$59,212)		(\$47,578)
2	Net Income (Loss) - 2013.....			(17,834)		(17,834)
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, 2013.....		11,634	(77,046)	0	(65,412)
11	Net Income (Loss) - 2014.....			(5,273)		(5,273)
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, March 31, 2014.....		\$11,634	(\$82,319)	\$0	(\$70,685)

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

TRUMP PLAZA ASSOCIATES, LLC

STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
1	CASH PROVIDED (USED) BY OPERATING ACTIVITIES.....		(\$2,779)	(\$2,744)
	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)	(36)
5	Proceeds from Disposition of Property and Equipment.....		0	0
6	CRDA Obligations		(182)	(216)
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	Proceeds from CRDA Investments	7	2,948	0
11				
12	Net Cash Provided (Used) By Investing Activities.....		2,763	(252)
	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		0	0
16	Costs of Issuing Debt.....		0	0
17	Payments to Settle Long-Term Debt.....	2	(78)	0
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	2	0	829
22				
23	Net Cash Provided (Used) By Financing Activities.....		(78)	829
24	Net Increase (Decrease) in Cash and Cash Equivalents.....		(94)	(2,167)
25	Cash and Cash Equivalents at Beginning of Period.....		8,524	9,781
26	Cash and Cash Equivalents at End of Period.....		\$8,430	\$7,614
	CASH PAID DURING PERIOD FOR:			
27	Interest (Net of Amount Capitalized).....	2	\$151	\$183
28	Income Taxes.....		\$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 PLAZA ASSOCIATES, LLC

STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013

(UNAUDITED)

(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2014 (c)	2013 (d)
	CASH FLOWS FROM OPERATING ACTIVITIES:			
29	Net Income (Loss).....		(\$5,273)	(\$4,731)
30	Depreciation and Amortization of Property and Equipment...		403	315
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.....		0	(1)
36	(Gain) Loss on CRDA-Related Obligations.....	7	147	114
37	(Gain) Loss from Other Investment Activities.....		0	0
38	(Increase) Decrease in Receivables and Patrons' Checks		117	637
39	(Increase) Decrease in Inventories		21	19
40	(Increase) Decrease in Other Current Assets.....		268	230
41	(Increase) Decrease in Other Assets.....		6	123
42	Increase (Decrease) in Accounts Payable.....		791	(284)
43	Increase (Decrease) in Other Current Liabilities		1,814	1,136
44	Increase (Decrease) in Other Liabilities		(1,073)	(302)
45				
46				
47	Net Cash Provided (Used) By Operating Activities.....		(\$2,779)	(\$2,744)

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	ACQUISITION OF PROPERTY AND EQUIPMENT:			
48	Additions to Property and Equipment.....		(\$3)	(\$36)
49	Less: Capital Lease Obligations Incurred.....			
50	Cash Outflows for Property and Equipment.....		(\$3)	(\$36)
	ACQUISITION OF BUSINESS ENTITIES:			
51	Property and Equipment Acquired.....			\$0
52	Goodwill Acquired.....			0
53	Other Assets Acquired - net			0
54	Long-Term Debt Assumed.....			0
55	Issuance of Stock or Capital Invested.....			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 PLAZA ASSOCIATES, LLC
SCHEDULE OF PROMOTIONAL
EXPENSES AND ALLOWANCES

FOR THE THREE MONTHS ENDED MARCH 31, 2014
(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	21,243	\$1,734	16	\$2
2	Food	5,836	150	8,917	183
3	Beverage	100,319	591		
4	Travel			57	18
5	Bus Program Cash				
6	Promotional Gaming Credits	130,752	2,124		
7	Complimentary Cash Gifts	3,323	89		
8	Entertainment			6	0
9	Retail & Non-Cash Gifts	2,444	54	2,422	59
10	Parking			18,443	55
11	Other	87	4	43	10
12	Total	264,004	\$4,746	29,904	\$327

FOR THE THREE MONTHS ENDED _____, 20

Line (a)	Description (b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms				
2	Food				
3	Beverage				
4	Travel				
5	Bus Program Cash				
6	Promotional Gaming Credits				
7	Complimentary Cash Gifts				
8	Entertainment				
9	Retail & Non-Cash Gifts				
10	Parking				
11	Other				
12	Total	0	\$0	0	\$0

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

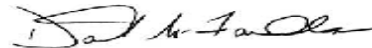
TRUMP PLAZA ASSOCIATES, LLC STATEMENT OF CONFORMITY, ACCURACY, AND COMPLIANCE

FOR THE QUARTER ENDED MARCH 31, 2014

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.

5/15/2014

Date



Dan McFadden

Chief Financial Officer

Title

7167-11

License Number

On Behalf of:

TRUMP PLAZA ASSOCIATES, LLC

Casino Licensee

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

NOTE 1 – GENERAL

Organization

Trump Plaza Associates, LLC (“Plaza 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.

Plaza Associates owns and operates the Trump Plaza Hotel and Casino (“Trump Plaza”), an Atlantic City, New Jersey hotel and casino. Plaza 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.

Execution and Subsequent Termination of Asset Purchase Agreement

On February 14, 2013, TER and Plaza Associates entered into an Asset Purchase Agreement dated as of February 14, 2013 (the “Asset Purchase Agreement”) with Meruelo Gaming Holdings, LLC (“Meruelo Gaming”) and its affiliate Meruelo Enterprises, Inc. (“Meruelo Enterprises”), providing for the sale of Trump Plaza (the “Property”) to Meruelo Gaming. The Asset Purchase Agreement provided that, at the closing, Meruelo Gaming would acquire substantially all of the assets of, and would assume certain liabilities related to, the business conducted at the Property and would continue to operate the Property as a casino and hotel. The transaction was subject to receipt of approval from, and the release of the mortgage held by, Icahn Agency Services, LLC (“IAS”), the administrative agent under TER Holdings’ senior secured credit facility, and an affiliate of Icahn Partners L.P. (the “IAS Consent”), as well as receipt of approvals from New Jersey regulatory authorities and other customary closing conditions.

Because TER was not able to obtain the required approval from, and a release of the mortgage held by, IAS, on April 18, 2013, TER and Plaza Associates entered into the Termination and Option Agreement with Meruelo Gaming and Meruelo Enterprises which (i) terminated the Asset Purchase Agreement and the TSA and (ii) provided Meruelo Gaming with an option to purchase the Property for \$20,000, subject to certain conditions. The option was exercisable by Meruelo Gaming through November 30, 2013 in the event TER Holdings was able before that date to repay or refinance the indebtedness under its senior secured credit facility and ceased to be subject to restrictions on its ability to sell the Property free and clear of the existing mortgage. In accordance with the Termination and Option Agreement, during December 2013, the Company reimbursed Meruelo Gaming \$150 representing a portion of its transaction expenses in connection with the terminated Asset Purchase Agreement.

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”). Accordingly, certain information and note disclosures normally included in the financial statements prepared in conformity with accounting principles generally accepted in the United States have been condensed or omitted. These financial statements should be read in conjunction with the financial statements and notes thereto included in the Company’s December 31, 2013 Quarterly Report as filed with the CCC and DGE.

In preparing the accompanying financial statements, the Company has reviewed, as determined necessary by the Company’s management, events that have occurred after March 31, 2014.

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

The accompanying financial statements have been prepared without audit. 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.

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:

	March 31,	
	2014	2013
Unrestricted cash and cash equivalents	\$ 8,313	\$ 7,614
Restricted cash - internet gaming	117	-
Total	\$ 8,430	\$ 7,614

Cash and cash equivalents at March 31, 2014 included restricted cash related to patron deposits associated with the Company's internet gaming operations. Pursuant to New Jersey Administrative Code ("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 March 31, 2014, the balance in such bank account was \$1,283 and patron deposits in internet gaming accounts were \$117.

NOTE 2 – DEBT

	March 31,	
	2014	2013
12% Revolving Grid Note - TER Holdings, due December 31, 2015, interest due and payable monthly	\$ 75,000	\$ 75,000
Other long-term debt (financed slot machines)	575	-
	75,575	75,000
Less: current maturities	(328)	-
Long-term debt, net of current maturities	\$ 75,247	\$ 75,000

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 \$75,000 of advances made by TER Holdings, including any accrued unpaid interest on outstanding advances thereon. The Company ceased accruing interest expense on the 12% Grid Note effective July 1, 2013. Advances from TER Holdings to the Company subsequent to July 1, 2013 are recorded through advances from affiliates.

Guarantees

Plaza Associates, along with Trump Taj Mahal Associates LLC ("Taj Associates") and Trump Marina Associates LLC ("Marina Associates") guarantees TER Holdings' Amended and Restated Credit

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

Agreement on a joint and several basis. The Amended and Restated Credit Agreement is secured by substantially all of the assets of TER Holdings, Taj Associates and Plaza Associates on a priority basis. At March 31, 2014, TER had outstanding borrowings of \$286,456 under the Amended and Restated Credit Agreement.

NOTE 3 – ONLINE GAMING OPERATIONS AGREEMENT

On June 27, 2013 (the “Effective Date”), Plaza Associates entered into an Online Gaming Operations Agreement (the “Agreement”) with Betfair Interactive US LLC (“Betfair”). Pursuant to the Agreement, Betfair hosts, manages, operates and supports internet gambling games in the State of New Jersey (the “Betfair Gaming Service”) under Plaza Associates’ internet gaming permit. Under the Agreement, in exchange for providing the Betfair Gaming Service, Betfair receives a percentage of the gross internet gaming revenues after the deduction of certain player-related costs, gaming taxes and CRDA investment alternative obligations.

On October 16, 2013, the DGE issued an internet gaming permit to Plaza 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 after a five-day test period which began on November 21, 2013. Plaza Associates’ share of internet gaming revenues is recognized within gaming revenues (net of amounts due to Betfair). Expenses related to internet gaming are reflected in Casino costs and expenses, net of amounts reimbursed by Betfair to Plaza Associates. Revenues and expenses associated with internet gaming during the three months ended March 31, 2014 were not material to the Company’s financial statements.

On the Effective Date, Betfair paid Plaza Associates \$7,500 representing a revenue advancement fee under the Agreement. Such amount was recorded as deferred income and is recognized as gaming revenue when earned. Deferred income is included within Other Current Liabilities and Other Liabilities on the March 31, 2014 Balance Sheet.

NOTE 4 – 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 had state net operating loss carryforwards of approximately \$267,000 available to offset future taxable income. The New Jersey state net operating loss carryforwards expire from 2014 through 2033.

There was no state income tax provision during the three months ended March 31, 2014 and 2013.

At March 31, 2014, the Company had unrecognized tax benefits of \$288, including interest. The Company’s unrecognized tax benefits would not affect its effective tax rate, if recognized.

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

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 three months ended March 31, 2014 and 2013.

Federal and State Income Tax Audits

Tax years 2010 through 2013 remain subject to examination by federal tax authorities. Tax years 2009 through 2013 remain subject to examination by state tax authorities.

NOTE 5 – TRANSACTIONS WITH AFFILIATES

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

	March 31,	
	2014	2013
Trump Administration	\$ 895	\$ 863
Taj Associates	377	644
TER Holdings (See Note 2)	7,673	694
Marina Associates	-	25
Total	\$ 8,945	\$ 2,226

Plaza 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 Plaza Associates. Trump Administration allocated expenses associated with such services to Plaza Associates totaling \$525 and \$591 during the three months ended March 31, 2014 and 2013, respectively. Plaza Associates reimburses Trump Administration for these allocated expenses.

NOTE 6 – NON-OPERATING INCOME (EXPENSE)

Non-operating income (expense) includes interest income of \$50 and \$52 for the three months ended March 31, 2014 and 2013, respectively.

NOTE 7 – COMMITMENTS & CONTINGENCIES

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 Trump Plaza 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

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

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.

Legal Proceedings

Plaza 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 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.

During the three months ended March 31, 2014 and 2013, the Company charged to operations \$147 and \$114, respectively, to reflect reductions in the estimated net realizable value of certain CRDA deposits and to give effect to the below market interest rates associated with CRDA deposits and bonds.

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 December 2013, and in conformance with that policy, the Company requested that the CRDA approve a cash-back credit in the amount of \$2,948 in exchange for a donation of \$10,089 of previous deposits made by Trump Plaza, to the CRDA Atlantic City Tourism District and Community Development Fund (the "CRDA Transaction"). By resolution dated November 19, 2013, the CRDA approved the CRDA Transaction. On January 13, 2014, the Company received \$2,948 from the CRDA representing the cash-back donation credit.

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

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 quarter compared to the aggregate gross gaming revenues for that period for all casinos. During the three months ended March 31, 2014, the Company recognized \$93 related to its portion of the \$30,000 contribution to be made during 2014. During the three months ended March 31, 2013, the Company recognized \$213 related to its portion of the \$30,000 contribution made during 2013.

NOTE 8 – 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

	March 31, 2014				March 31, 2013			
	Balance	Level 1	Level 2	Level 3	Balance	Level 1	Level 2	Level 3
CRDA bonds and deposits	\$5,852	—	\$5,852	—	\$12,514	—	\$12,514	—

The fair value measurements relating to the Company’s CRDA bonds and deposits were determined using inputs within Level 2 of ASC 820’s hierarchy. CRDA assets are discussed in Note 7.

Balances Disclosed at Fair Value

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

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

The estimated fair values of other financial instruments are as follows:

	March 31, 2014 and 2013			
	Amount	Carrying	Estimated	Fair Value
	Outstanding	Value	Fair Value	Hierarchy
12% Grid Note	\$ 75,000	\$ 75,000	\$ 75,000	Level 2

NOTE 9 – EVACUATION AND CLOSURE 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 Division of Gaming Enforcement (“DGE”) ordered the temporary suspension of all twelve Atlantic City gaming licenses. The DGE vacated its order on November 2, 2012. Trump Plaza closed to the public on October 28, 2012. Although Superstorm Sandy made landfall in close proximity to Atlantic City, Trump Plaza sustained minor physical damage and was able to reopen on November 2, 2012. The Company’s results of operations were 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 \$4,200 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 10 – SUBSEQUENT EVENT

2014 and 2015 Property Tax Assessment Settlement

Plaza Associates and Taj Associates have agreed in principle with the City with respect to the real estate tax assessments related to Trump Plaza and Trump Taj Mahal. The settlement terms are set forth in a draft settlement agreement which is expected to be entered into shortly among Taj Associates, Plaza Associates and the City. Under the terms of the draft settlement agreement, Taj Associates, Plaza Associates and the City agreed that the aggregate real estate tax assessment for the 2014 and 2015 tax years will be \$825.0 million for Trump Taj Mahal and \$210.0 million for Trump Plaza. In addition, Taj Associates and Plaza Associates will agree not to appeal or otherwise contest such assessments, provided that the City does not complete a city-wide real property revaluation for the 2015 tax year and/or the assessments for Trump Taj Mahal and Trump Plaza are other than the amounts set forth above. The reduced assessments will become effective as of the beginning of the 2014 tax year. Credits for previously paid 2014 real estate taxes will be applied to future 2014 quarterly amounts due.