

**TRUMP PLAZA ASSOCIATES, LLC
QUARTERLY REPORT**

FOR THE QUARTER ENDED DECEMBER 31, 2012

**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 DECEMBER 31, 2012 AND 2011

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2012 (c)	2011 (d)
	<u>ASSETS:</u>			
	Current Assets:			
1	Cash and Cash Equivalents.....	2	\$9,781	\$12,224
2	Short-Term Investments.....		0	0
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2012, \$905; 2011, \$2,134).....	2	2,979	7,798
4	Inventories	2	398	617
5	Other Current Assets.....	7	956	1,398
6	Total Current Assets.....		14,114	22,037
7	Investments, Advances, and Receivables.....	10 & 16	12,467	12,127
8	Property and Equipment - Gross.....	2 & 5	66,626	66,519
9	Less: Accumulated Depreciation and Amortization.....	2 & 5	(47,909)	(11,209)
10	Property and Equipment - Net.....	2 & 5	18,717	55,310
11	Other Assets.....		1,362	5,191
12	Total Assets.....		\$46,660	\$94,665
	<u>LIABILITIES AND EQUITY:</u>			
	Current Liabilities:			
13	Accounts Payable.....		\$2,991	\$2,644
14	Notes Payable.....		0	0
	Current Portion of Long-Term Debt:			
15	Due to Affiliates.....		0	0
16	External.....	6	0	122
17	Income Taxes Payable and Accrued.....	7	0	480
18	Other Accrued Expenses.....	11	5,530	6,964
19	Other Current Liabilities.....	12 & 13	7,235	13,091
20	Total Current Liabilities.....		15,756	23,301
	Long-Term Debt:			
21	Due to Affiliates.....	6 & 10	74,171	75,000
22	External.....	6	0	0
23	Deferred Credits	7	0	62
24	Other Liabilities.....	7	4,311	5,401
25	Commitments and Contingencies.....	16	0	0
26	Total Liabilities.....		94,238	103,764
27	Stockholders', Partners', or Proprietor's Equity.....		(47,578)	(9,099)
28	Total Liabilities and Equity.....		\$46,660	\$94,665

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 TWELVE MONTHS ENDED DECEMBER 31, 2012 AND 2011

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2012 (c)	2011 (d)
	Revenue:			
1	Casino.....	2	\$101,704	\$136,318
2	Rooms.....	2	20,519	22,749
3	Food and Beverage.....	2	14,539	17,059
4	Other.....	2 & 15	4,488	7,160
5	Total Revenue.....		141,250	183,286
6	Less: Promotional Allowances.....	2	40,049	48,595
7	Net Revenue.....		101,201	134,691
	Costs and Expenses:			
8	Cost of Goods and Services.....		91,637	111,306
9	Selling, General, and Administrative.....	2 & 4	(667)	19,307
10	Provision for Doubtful Accounts.....	2	294	1,415
11	Total Costs and Expenses.....		91,264	132,028
12	Gross Operating Profit.....		9,937	2,663
13	Depreciation and Amortization.....	5	3,731	7,551
	Charges from Affiliates Other than Interest:			
14	Management Fees.....		0	0
15	Other.....	13	2,989	4,544
16	Income (Loss) from Operations.....		3,217	(9,432)
	Other Income (Expenses):			
17	Interest Expense - Affiliates.....	6	(8,732)	(8,423)
18	Interest Expense - External.....	6 & 7	(614)	2,817
19	CRDA Related Income (Expense) - Net.....	16	(468)	96
20	Nonoperating Income (Expense) - Net.....	5,8,9&14	(31,882)	5,991
21	Total Other Income (Expenses).....		(41,696)	481
22	Income (Loss) Before Taxes and Extraordinary Items.....		(38,479)	(8,951)
23	Provision (Credit) for Income Taxes.....	7	0	(4,499)
24	Income (Loss) Before Extraordinary Items.....		(38,479)	(4,452)
	Extraordinary Items (Net of Income Taxes -			
25	2012 \$0; 2011, \$0).....		0	0
26	Net Income (Loss).....		(\$38,479)	(\$4,452)

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 DECEMBER 31, 2012 AND 2011

(UNAUDITED)

(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2012 (c)	2011 (d)
	Revenue:			
1	Casino.....	2	\$17,362	\$26,483
2	Rooms.....	2	3,289	4,591
3	Food and Beverage.....	2	1,554	3,322
4	Other.....	2 & 15	688	1,083
5	Total Revenue.....		22,893	35,479
6	Less: Promotional Allowances.....	2	7,013	9,934
7	Net Revenue.....		15,880	25,545
	Costs and Expenses:			
8	Cost of Goods and Services.....		18,227	23,962
9	Selling, General, and Administrative.....	4	1,545	3,477
10	Provision for Doubtful Accounts.....	2	104	168
11	Total Costs and Expenses.....		19,876	27,607
12	Gross Operating Profit.....		(3,996)	(2,062)
13	Depreciation and Amortization.....		924	982
	Charges from Affiliates Other than Interest:			
14	Management Fees.....		0	0
15	Other.....	13	602	1,004
16	Income (Loss) from Operations.....		(5,522)	(4,048)
	Other Income (Expenses):			
17	Interest Expense - Affiliates.....	6	(2,157)	(2,162)
18	Interest Expense - External.....	6	(150)	4,000
19	CRDA Related Income (Expense) - Net.....	16	(131)	174
20	Nonoperating Income (Expense) - Net.....	5 & 14	(33,067)	131
21	Total Other Income (Expenses).....		(35,505)	2,143
22	Income (Loss) Before Taxes and Extraordinary Items.....		(41,027)	(1,905)
23	Provision (Credit) for Income Taxes.....	7	0	(4,499)
24	Income (Loss) Before Extraordinary Items.....		(41,027)	2,594
25	Extraordinary Items (Net of Income Taxes - 2012, \$0; 2011, \$0).....		0	0
26	Net Income (Loss).....		(\$41,027)	\$2,594

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, 2011
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2012

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	Contributed Capital (c)	Accumulated Earnings (Deficit) (d)	(e)	Total Equity (Deficit) (f)
1	Balance, December 31, 2010.....		\$11,634	(\$16,281)		(\$4,647)
2	Net Income (Loss) - 2011.....			(4,452)		(4,452)
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, 2011.....		11,634	(20,733)	0	(9,099)
11	Net Income (Loss) - 2012.....			(38,479)		(38,479)
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, 2012.....		\$11,634	(\$59,212)	\$0	(\$47,578)

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 TWELVE MONTHS ENDED DECEMBER 31, 2012 AND 2011

(UNAUDITED)

(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2012 (c)	2011 (d)
1	CASH PROVIDED (USED) BY OPERATING ACTIVITIES..		\$745	(\$3,661)
	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.....		(575)	(2,445)
5	Proceeds from Disposition of Property and Equipment.....		1,281	0
6	CRDA Obligations	16	(1,460)	(1,831)
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	16	0	886
11				
12	Net Cash Provided (Used) By Investing Activities.....		(754)	(3,390)
	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.....	6	(122)	(275)
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	6	(2,312)	6,676
22				
23	Net Cash Provided (Used) By Financing Activities.....		(2,434)	6,401
24	Net Increase (Decrease) in Cash and Cash Equivalents.....		(2,443)	(650)
25	Cash and Cash Equivalents at Beginning of Period.....		12,224	12,874
26	Cash and Cash Equivalents at End of Period.....		\$9,781	\$12,224
	CASH PAID DURING PERIOD FOR:			
27	Interest (Net of Amount Capitalized).....		\$10,804	\$960
28	Income Taxes.....	7	\$480	\$703

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 TWELVE MONTHS ENDED DECEMBER 31, 2012 AND 2011

(UNAUDITED)

(\$ IN THOUSANDS)

Line (a)	Description (b)	Notes	2012 (c)	2011 (d)
	CASH FLOWS FROM OPERATING ACTIVITIES:			
29	Net Income (Loss).....		(\$38,479)	(\$4,452)
30	Depreciation and Amortization of Property and Equipment.....	2 & 5	3,731	7,551
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.....		(845)	(37)
36	(Gain) Loss on CRDA-Related Obligations.....	16	468	(96)
37	(Gain) Loss from Other Investment Activities.....		0	0
38	(Increase) Decrease in Receivables and Patrons' Checks		8,556	3,942
39	(Increase) Decrease in Inventories		219	303
40	(Increase) Decrease in Other Current Assets.....		380	1,792
41	(Increase) Decrease in Other Assets.....		744	2,217
42	Increase (Decrease) in Accounts Payable.....		347	(260)
43	Increase (Decrease) in Other Current Liabilities		(4,151)	(2,053)
44	Increase (Decrease) in Other Liabilities		(1,091)	(4,531)
45	Income from Property Tax / Income Tax Settler	4 & 7	(2,217)	(8,037)
46	Asset Impairment Charge	5	33,083	0
47	Net Cash Provided (Used) By Operating Activities.....		\$745	(\$3,661)

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	ACQUISITION OF PROPERTY AND EQUIPMENT:			
48	Additions to Property and Equipment.....		(\$575)	(\$2,445)
49	Less: Capital Lease Obligations Incurred.....		0	0
50	Cash Outflows for Property and Equipment.....		(\$575)	(\$2,445)
	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 PLAZA ASSOCIATES, LLC
SCHEDULE OF PROMOTIONAL
EXPENSES AND ALLOWANCES

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2012
(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	133,065	\$10,629	80	\$7
2	Food	227,158	3,490	29,032	416
3	Beverage	737,481	3,926		
4	Travel			2,672	871
5	Bus Program Cash				
6	Promotional Gaming Credits	1,587,433	20,077		
7	Complimentary Cash Gifts	91,526	1,573		
8	Entertainment			560	51
9	Retail & Non-Cash Gifts	22,416	296	61,119	1,006
10	Parking			112,721	338
11	Other	771	58	1,092	137
12	Total	2,799,850	\$40,049	207,276	\$2,826

FOR THE THREE MONTHS ENDED DECEMBER 31, 2012

Line (a)	Description (b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	24,224	\$2,033	0	\$0
2	Food	28,423	475	8,907	148
3	Beverage	107,816	584		
4	Travel			417	154
5	Bus Program Cash				
6	Promotional Gaming Credits	272,916	3,453		
7	Complimentary Cash Gifts	38,934	417		
8	Entertainment			10	1
9	Retail & Non-Cash Gifts	3,591	46	10,681	222
10	Parking			21,632	65
11	Other	89	5	237	30
12	Total	475,993	\$7,013	41,884	\$620

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

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

FOR THE QUARTER ENDED DECEMBER 31, 2012

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.

4/1/2013

Date



Daniel McFadden

Vice President of Finance

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 and Operations

Trump Plaza Associates LLC (“Plaza Associates” or the “Company”), a New Jersey limited liability corporation, is 100% beneficially owned by Trump Entertainment Resorts Holdings, LP (“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 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.

Pending Sale

As further disclosed in Note 18, 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. Pursuant to the Asset Purchase Agreement, at the closing, Meruelo Gaming will acquire substantially all of the assets of, and will assume certain liabilities related to, the business conducted at the Property and will continue operating the Property as a casino and hotel. The transaction is 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.), as well as receipt of approvals from New Jersey regulatory authorities and other customary closing conditions. There can be no assurance that the approval of IAS will be obtained or the transaction for the sale of the Property will be consummated. In the event the closing does not occur due to a breach by Meruelo Gaming, the Company’s recourse may be limited to the \$2,000 placed in escrow by Meruelo Gaming. This escrow deposit will be refunded to Meruelo Gaming if IAS does not approve the sale.

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, 2012 through April 1, 2013, 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.

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

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.

Restricted Cash

Restricted cash at December 31, 2012 included \$1,281 of interest bearing cash representing the unused net proceeds received in connection with the sale of certain parcels of land (See Note 5), the use of which is restricted to reinvestment in TER Holdings' casino properties or repayment of borrowings outstanding under TER Holdings' Amended and Restated Credit Agreement.

Revenue Recognition and Allowance for Doubtful Accounts

The majority of the Company's revenue is derived from gaming activities. As our gaming revenues are primarily generated from cash transactions, the Company's revenues do not typically require the use of estimates. Gaming revenues represent the difference between amounts of gaming wins and losses. 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, 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	20 years
Furniture, fixtures and equipment	3 – 7 years
Leasehold improvements	20 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 expected 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 (see

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

Note 5). 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.

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,	
	2012	2011
Rooms	\$ 4,805	\$ 5,334
Food and beverage	6,781	8,915
Other	223	691
	\$ 11,809	\$ 14,940

Cash discounts based upon a negotiated amount with each affected patron are recognized as promotional allowances on the date the related revenue is recorded. Cash-back 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, the Company 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 casino revenues. The Company's gross revenue tax, net of promotional gaming credit deductions, was \$6,855 and \$9,339 for the years ended December 31, 2012 and 2011, respectively, and is included in Cost of Goods and Services on the accompanying statements of income.

Advertising Expense

The Company expenses advertising costs as they are incurred. Advertising expense was \$998 and \$1,159 for the years ended December 31, 2012 and 2011, respectively.

Reclassifications

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

TRUMP PLAZA 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, 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, and continue to be, negatively impacted due to the closure and the extensive damage sustained within its primary feeder markets in the Mid-Atlantic Region. TER has filed claims with its insurance carriers relating to losses incurred through December 31, 2012 in connection with Superstorm Sandy.

Hurricane Irene

In connection with a mandate from the State of New Jersey to evacuate southern New Jersey's barrier islands due to anticipated severe weather and flooding, Atlantic City’s casinos closed on August 26, 2011 and reopened on August 29, 2011. Trump Plaza sustained only minor physical damage. The Company believes that its operations were negatively affected before, during and after the shutdown.

NOTE 4 - 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 Trump Marina Associates, LLC (“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, Trump Taj Mahal Associates, LLC (“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

TRUMP PLAZA ASSOCIATES, LLC
NOTES TO FINANCIAL STATEMENTS

(unaudited)
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offering, and that TER will 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.

Plaza 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 and was estimated to be \$14,998.

Property taxes reflected in Selling, General and Administrative Expenses for the year ended December 31, 2012 include the effect of an 11.1% increase in the City's 2012 property tax rate, which was retroactive to January 1, 2012.

2007 Settlement Amendment

On November 26, 2012, Plaza Associates entered into an agreement with the City under which the City agreed to allow Plaza 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 \$3,829. This credit for the fourth quarter of 2012 was in lieu of a credit in the amount of \$3,928 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 is unrelated to (and does not have any effect on) the Settlement Agreement discussed above.

NOTE 5 - PROPERTY AND EQUIPMENT

	December 31,	
	2012	2011
Land and land improvements	\$ 8,993	\$ 9,446
Building and building improvements	46,687	46,697
Furniture, fixtures and equipment	10,946	10,322
Construction-in-progress	-	54
	66,626	66,519
Less accumulated depreciation and amortization	(47,909)	(11,209)
Net property and equipment	\$ 18,717	\$ 55,310

On December 31, 2012, Plaza Associates completed the sale of certain vacant parcels of land in Atlantic City, New Jersey to the Casino Reinvestment Development Authority ("CRDA"). The net cash proceeds of the transaction of approximately \$1,200 are required to be used in a manner permitted under TER Holdings' Amended and Restated Credit Agreement.

In accordance with ASC 360-10-35-21, due to certain events and circumstances, we recorded a \$33,083 non-cash asset impairment charge related to Trump Plaza's long-lived asset group during the fourth quarter of 2012. The non-cash asset impairment charge recognized in connection with Trump Plaza's long-lived assets was allocated to the respective asset categories on a pro-rata basis based upon the carrying value of the assets in accordance with ASC 360. The non-cash asset impairment charge is included within Non-operating Expense in the 2012 statement of income.

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NOTE 6 – DEBT

	December 31,	
	2012	2011
12% Revolving Grid Note - TER Holdings, due December 31, 2015, interest due and payable monthly	\$ 74,171	\$ 75,000
Capitalized lease obligations, payments due in 2012, secured by equipment financed, interest at 8.5%	-	122
	74,171	75,122
Less: current maturities	-	(122)
Long-term debt, net of current maturities	\$ 74,171	\$ 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.

Guarantees

Plaza Associates, along with Taj Associates and 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 the TER Holdings and Plaza Associates on a priority basis. At December 31, 2012, TER had outstanding borrowings of \$291,988 under the Amended and Restated Credit Agreement.

As of December 31, 2012, long-term debt matures as follows:

2013	\$	-
2014		-
2015		74,171
2016		-
2017		-
Thereafter		-
Total minimum payments		74,171
Less: amount representing interest		-
Total value of principal payments	\$	74,171

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.

TRUMP PLAZA ASSOCIATES, LLC
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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, 2012, the Company has state net operating loss carryforwards of approximately \$377,000 available to offset future taxable income. The New Jersey state net operating losses expire from 2013 through 2032.

The state income tax benefit is as follows:

	Year Ended December 31,	
	2012	2011
Current	\$ -	\$ 4,499
Deferred	-	-
	\$ -	\$ 4,499

The Company's 2011 income tax benefit represents the reversal of previously recognized income tax expense as a result of the settlement of certain state income tax claims as further discussed below.

At December 31, 2012, the Company had unrecognized tax benefits of approximately \$295. 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, 2011	\$ 843
Increases (decreases) related to current year tax positions	7
Increases (decreases) related to prior years tax positions	-
Decreases related to settlements with taxing authorities	(480)
Decreases resulting from the expiration of statutes of limitations	(75)
Unrecognized tax benefits at December 31, 2012	\$ 295

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, 2012 and 2011. In addition, during the year ended December 31, 2011, the Company reduced interest expense by \$3,538 to reflect the reversal of accrued interest related to the reduction of certain unrecognized tax benefits.

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

TRUMP PLAZA ASSOCIATES, LLC
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	December 31,	
	2012	2011
Deferred tax assets:		
Accruals and prepayments	\$ 1,324	\$ 1,793
Basis differences on intangible and other assets	2,368	2,023
Basis differences on property and equipment, net	13,967	12,838
Net operating loss carryforwards	22,046	20,633
	39,705	37,287
Less: Valuation allowance	(39,705)	(36,600)
	-	687
Deferred tax liabilities:		
Other	-	(687)
	-	(687)
Net deferred income tax liability	\$ -	\$ -

Federal and State Income Tax Audits

Tax years 2009 through 2012 remain subject to examination by federal and state tax authorities.

From 2002 through 2006, state income taxes for TER'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 Bankruptcy Court 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 \$1,480 (the "Settlement Payment") and was deemed to be an allowed priority tax claim, as defined in the Plan of Reorganization, in the amount of \$1,480. The Stipulation provides 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 \$1,000, to the Division. The second and final installment payment of \$480 was paid by the Company to the Division on April 30, 2012.

In connection with the Stipulation, the Company reversed \$8,037 of previously recognized expense comprised of \$4,499 of income tax expense and \$3,538 of interest expense related to the AMA.

NOTE 8 - 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 \$955 in cash. The Company recognized \$883 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.

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NOTE 9 – INCOME RELATED TO DEED AMENDMENT

Pursuant to an Agreement (the “2011 Trump Plaza/Boardwalk Agreement”) entered into on March 14, 2011 between the Company and Boardwalk Florida Enterprises, LLC (“Boardwalk”), the owner of certain real property in Atlantic City that was acquired from Trump Plaza Associates in 2005, the Company and Boardwalk agreed that the deed provision restricting the development of gaming activities on such real property would be discharged and released and replaced with new contractual restrictions set forth in the 2011 Trump Plaza/Boardwalk Agreement. In connection with its execution of the 2011 Trump Plaza/Boardwalk Agreement and the related deed modification, the Company received \$5,465 during March 2011. Such amount is reflected in Non-operating Income in the statement of income during the year ended December 31, 2011.

NOTE 10 – 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

	<u>December 31, 2012</u>				<u>December 31, 2011</u>			
	<u>Balance</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Balance</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
CRDA bonds and deposits	\$12,467	—	\$12,467	—	\$12,127	—	\$12,127	—

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, 2012 and 2011. 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.

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

	<u>December 31,</u>			
	<u>2012</u>		<u>2011</u>	
	<u>Carrying amount</u>	<u>Fair value</u>	<u>Carrying amount</u>	<u>Fair value</u>
12% Grid Note	\$ 74,171	*	\$ 75,000	*

TRUMP PLAZA ASSOCIATES, LLC
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* 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, 2012 and 2011.

NOTE 11 – OTHER ACCRUED EXPENSES

	<u>December 31,</u>	
	<u>2012</u>	<u>2011</u>
Accrued payroll and related taxes	\$ 2,656	\$ 3,751
Accrued expense - World's Fair	1,090	1,250
Accrued CCC/DGE expenses	424	410
Accrued AC Alliance fees	334	-
Other *	1,026	1,553
Total	<u>\$ 5,530</u>	<u>\$ 6,964</u>

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

NOTE 12 – OTHER CURRENT LIABILITIES

	<u>December 31,</u>	
	<u>2012</u>	<u>2011</u>
Due to affiliates	\$ 1,891	\$ 4,839
Self insurance reserves	4,030	4,136
Accrued interest	-	1,457
Unredeemed chips	525	1,093
CRDA commitment-current	-	447
Other *	789	1,119
Total	<u>\$ 7,235</u>	<u>\$ 13,091</u>

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

NOTE 13 - TRANSACTIONS WITH AFFILIATES

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

	<u>December 31,</u>	
	<u>2012</u>	<u>2011</u>
TER Holdings	\$ -	\$ 3,646
Taj Associates	1,478	1,154
Marina Associates	413	39
Total	<u>\$ 1,891</u>	<u>\$ 4,839</u>

Plaza Associates engages in various transactions with the other Atlantic City hotel/casinos and 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 \$2,989 and \$4,544 during the twelve months ended December 31, 2012 and 2011, respectively. Plaza Associates reimburses Trump Administration for these allocated expenses.

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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"). 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 14 – NON-OPERATING INCOME (EXPENSE)

	Year Ended December 31,	
	2012	2011
Interest income	\$ 318	\$ 526
Income related to deed amendment (Note 9)	-	5,465
Income related to Utility Agreements (Note 8)	883	-
Asset Impairment Charge (Note 5)	(33,083)	-
Total	<u>\$ (31,882)</u>	<u>\$ 5,991</u>

NOTE 15 – INSURANCE PROCEEDS

On July 16, 2010, the Company was temporarily closed due to a leak in a water main managed by the utility company that provides the Company with the necessary cold water for its air conditioning. The Company reopened the majority of its operations on July 18, 2010 after temporary cooling systems were put in place to remediate the problem. The Company became fully operational on July 22, 2010. The Company filed a business interruption claim with its insurance carrier and received insurance proceeds totaling \$2,085, of which \$534 was received during the year ended December 31, 2010 and \$1,551 was received during the year ended December 31, 2011. The Company recognized the receipt of insurance proceeds as Other Revenues during the periods in which they were received.

NOTE 16 - COMMITMENTS & CONTINGENCIES

Leases

The Company has entered into leases for certain property (primarily land) and various equipment under operating leases. Rent expense during the years ended December 31, 2012 and 2011 was \$2,182 and \$2,629, respectively.

Future minimum lease payments under noncancellable operating leases as of December 31, 2012 are as follows:

2013	\$ 1,340
2014	1,236
2015	1,239
2016	1,241
2017	1,243
Thereafter	<u>70,044</u>
Total minimum payments	<u>\$ 76,343</u>

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

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Casino License Renewal

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 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.

Chapter 11 Case

On February 17, 2009 (the "Petition Date"), TER and certain of its direct and indirect subsidiaries, including the Company, (collectively, the "Debtors") filed voluntary petitions in the United States Bankruptcy Court for the District of New Jersey in Camden, New Jersey (the "Bankruptcy Court") seeking relief under the provisions of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). These chapter 11 cases were jointly administered under the caption *In re: TCI 2 Holdings, LLC, et al Debtors, Chapter 11 Case Nos.: 09-13654 through 09-13656 and 09-13658 through 09-13664 (JHW)* (the "Chapter 11 Case"). During the bankruptcy proceedings, the Debtors managed their properties and operated their businesses as "debtors-in possession" under the jurisdiction of the Bankruptcy Court.

On May 7, 2010, the Bankruptcy Court entered an order (the "Confirmation Order") confirming the Plan of Reorganization.

On July 16, 2010 (the "Consummation Date"), the Plan of Reorganization became effective and the transactions contemplated by the Plan of Reorganization were consummated.

On January 10, 2012, the Bankruptcy Court issued its final decree and order closing the Chapter 11 Case.

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 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 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

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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. 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 years ended December 31, 2012 and 2011, the Company charged to operations \$468 and \$166, respectively, to give effect to the below market interest rates associated with CRDA deposits and bonds.

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

	December 31,	
	2012	2011
CRDA deposits, net of allowances of \$658 and \$308, respectively	\$ 6,807	\$ 7,538
CRDA bonds, net of allowances of \$921 and \$360, respectively	5,660	4,589
	\$ 12,467	\$ 12,127

NJSEA Subsidy Agreement

In August 2008, the casinos located in Atlantic City (the “Casinos”) entered into a Purse Enhancement Agreement (the “2008 Subsidy Agreement”) with the New Jersey Sports and Exposition Authority (“NJSEA”) and the CRDA in the interest of further deferring or preventing the proliferation of competitive gaming at New Jersey racing tracks through December 31, 2011. In addition to the continued prohibition of casino gaming in New Jersey outside of Atlantic City, legislation was enacted to provide for the deduction of certain promotional gaming credits from the calculation of the tax on casino gross revenue.

Under the terms of the 2008 Subsidy Agreement, the Casinos were required to make scheduled payments to the NJSEA totaling \$90,000 which was to be used for certain authorized purposes (the “Authorized Uses”) as defined by the 2008 Subsidy Agreement. In the event any of the \$90,000 was not used by the NJSEA for the Authorized Uses by January 1, 2012, the unused funds would be returned by the NJSEA to the Casinos on a pro rata basis based upon the share each casino contributed. For each year, each casino's share of the scheduled payments equated to the percentage representing its gross gaming revenue for the prior calendar year compared to the gross gaming revenues for that period for all Casinos. Each casino, solely and individually, was responsible for its respective share of the scheduled amounts due. In the event that any casino failed to make its payment as required, the remaining Casinos had the right, but not the obligation, to cure a payment delinquency.

The Company expensed its share of the \$90,000, estimated to be approximately \$4,938 based on its actual market share of gross gaming revenue, on a straight-line basis over the term of the 2008 Subsidy Agreement. The Company recorded expense of \$1,646 during the year ended December 31, 2011.

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

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the CRDA is for an initial term of five years. Its general purpose is to revitalize and market the Tourism District. The law requires that a \$5,000 contribution be made to this effort by all casinos prior to 2012, followed by an annual amount of \$30,000 to be contributed by the casinos commencing January 1, 2012 for a term of five years. Each casino's portion of the annual contributions have been assessed based on 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, 2012, the Company recognized \$1,200 related to its portion of the \$30,000 contribution made during 2012. During the year ended December 31, 2011, the Company recognized \$245 related to its portion of the \$5,000 contribution made during 2011.

Entertainment-Retail District Project

In September 2001, the CRDA approved a proposal by Plaza Associates to construct a casino hotel facility as an entertainment-retail district project on a site on the Atlantic City Boardwalk ("District Project").

Under the terms of the approval, the Trump Entities could elect not to proceed with the District Project and upon notice of such election; the CRDA would provide them with \$4,752.

In December 2010, the Trump Entities provided the CRDA with the appropriate notice and the \$4,752 (of which \$1,622 related to Plaza Associates) was received on December 21, 2010.

In January 2011, the Trump Entities became aware that the CRDA had deducted the \$4,752 collectively from the Trump Entities' investment alternative tax obligation accounts. The Trump Entities advised the CRDA that they believed the CRDA had no authority to deduct the amounts from their accounts and demanded that the CRDA return \$4,752 to their respective account balances.

In September 2011, pursuant to an amendment to the approved proposal, the CRDA returned an additional \$2,595 to the Trump Entities (of which \$886 related to Plaza Associates) from their investment alternative tax obligation accounts in order to provide the agreed upon return on investment.

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 shall not exceed \$6,859 and excess amounts necessary to complete the Project, if any, shall be borne by Taj Associates. Construction on the Project commenced in 2012 and is expected to be completed during 2013.

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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, 2012 and 2011.

Multi-Employer Pension Plans

Approximately 500 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.

The Company’s pension contributions to the Fund during the years ended December 31, 2012 and 2011 were \$1,109 and \$1,144, 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, 2012.

Contributions to other multi-employer pension plans related during the years ended December 31, 2012 and 2011 were \$272 and \$302, respectively.

NOTE 18 – SUBSEQUENT EVENT

On February 14, 2013, TER and Plaza Associates entered into the Asset Purchase Agreement with Meruelo Gaming and its affiliate Meruelo Enterprises, providing for the sale of the Property to Meruelo Gaming. The following summary is qualified in its entirety by reference to the Asset Purchase Agreement.

Pursuant to the Asset Purchase Agreement, at the closing, Meruelo Gaming will acquire substantially all of the assets of, and will assume certain liabilities related to, the business conducted at the Property and will continue operating the Property as a casino and hotel. The aggregate purchase price payable for the Property by Meruelo Gaming is \$20,000, subject to a working capital adjustment at closing as provided in the Asset Purchase Agreement. Certain obligations of Meruelo Gaming are guaranteed by Meruelo Enterprises. The transaction is subject to receipt

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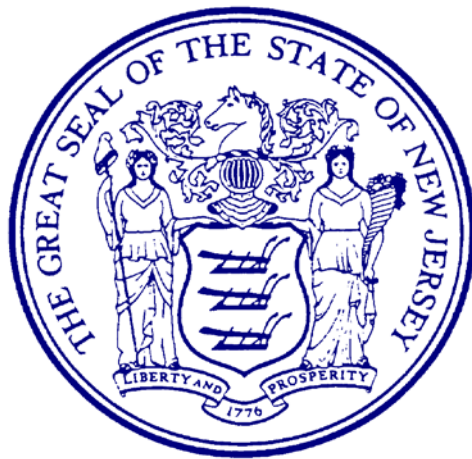
of approval from, and the release of the mortgage held by, TER Holdings' senior lienholder (an entity affiliated with Icahn Partners, L.P.), as well as receipt of approvals from New Jersey regulatory authorities and other customary closing conditions. Assuming the closing conditions are satisfied, the Company expects to close the transaction by May 31, 2013.

Upon execution of the Asset Purchase Agreement, Meruelo Gaming placed into escrow a \$2,000 deposit toward the purchase price. The Asset Purchase Agreement provides that, subject to certain exceptions, the Company's recourse against Meruelo Gaming and Meruelo Enterprises if the transaction is not consummated will be limited to the amount of this deposit.

**TRUMP PLAZA ASSOCIATES, LLC
ANNUAL FILINGS**

FOR THE YEAR ENDED DECEMBER 31, 2012

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



**OFFICE OF FINANCIAL INVESTIGATIONS
REPORTING MANUAL**

TRUMP PLAZA ASSOCIATES, LLC
ANNUAL SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS
FOR THE YEAR ENDED DECEMBER 31, 2012

(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.....	\$550		
2	Returned Patrons' Checks.....	1,303		
3	Total Patrons' Checks.....	1,853	\$823	\$1,030
4	Hotel Receivables.....	1,194	82	\$1,112
	Other Receivables:			
5	Receivables Due from Officers and Employees....			
6	Receivables Due from Affiliates.....			
7	Other Accounts and Notes Receivables.....	837		
8	Total Other Receivables.....	837		\$837
9	Totals (Form DGE-205).....	\$3,884	\$905	\$2,979

UNDEPOSITED PATRONS' CHECKS ACTIVITY		
Line (f)	Description (g)	Amount (h)
10	Beginning Balance (January 1).....	\$1,269
11	Counter Checks Issued.....	21,322
12	Checks Redeemed Prior to Deposit.....	(14,860)
13	Checks Collected Through Deposits.....	(6,215)
14	Checks Transferred to Returned Checks.....	(966)
15	Other Adjustments.....	
16	Ending Balance.....	\$550
17	"Hold" Checks Included in Balance on Line 16.....	0
18	Provision for Uncollectible Patrons' Checks.....	\$249
19	Provision as a Percent of Counter Checks Issued.....	1.2%

TRUMP PLAZA ASSOCIATES, LLC

ANNUAL EMPLOYMENT AND PAYROLL REPORT

AT DECEMBER 31, 2012

(\$ 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	205			
2	Slot Machines	38			
3	Administration	0			
4	Casino Accounting	64			
5	Simulcasting	0			
6	Other	0			
7	Total - Casino	307	\$9,632	\$0	\$9,632
8	ROOMS	190	4,327	0	4,327
9	FOOD AND BEVERAGE	313	5,942	0	5,942
10	GUEST ENTERTAINMENT	4	312	0	312
11	MARKETING	45	1,978	0	1,978
12	OPERATION AND MAINTENANCE	99	4,355	0	4,355
	ADMINISTRATIVE AND GENERAL:				
13	Executive Office	0	0	0	0
14	Accounting and Auditing	33	661	0	661
15	Security	114	3,559	0	3,559
16	Other Administrative and General	10	431	205	636
	OTHER OPERATED DEPARTMENTS:				
17	Transportation	52	884	0	884
18	Health Club	6	111	0	111
19	Retail Operations	4	60	0	60
20					0
21					0
22					0
23	TOTALS - ALL DEPARTMENTS	1,177	\$32,252	\$205	\$32,457