TRUMP TAJ MAHAL 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 TAJ MAHAL ASSOCIATES, LLC
BALANCE SHEETS

AS OF DECEMBER 31, 2012 AND 2011

(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	Notes	2012 (c)	2011 (d)
	ASSETS:			
	Current Assets:			
1	Cash and Cash Equivalents	2	$19,932	$28,009
2	Short-Term Investments		0	0
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2012, $4,510; 2011, $7,726)	2 & 4	24,629	13,839
4	Inventories	2	1,029	1,361
5	Other Current Assets	8	2,540	3,270
6	Total Current Assets		48,130	46,479
7	Investments, Advances, and Receivables	9 & 15	22,540	20,121
8	Property and Equipment - Gross	2 & 5	380,347	379,066
9	Less: Accumulated Depreciation and Amortization	2 & 5	(48,565)	(31,458)
10	Property and Equipment - Net	2 & 5	331,782	347,608
11	Other Assets	2 & 6	12,831	12,659
12	Total Assets		$415,283	$426,867
	LIABILITIES AND EQUITY:			
	Current Liabilities:			
13	Accounts Payable		$9,798	$9,283
14	Notes Payable		0	0
	Current Portion of Long-Term Debt:			
15	Due to Affiliates		0	0
16	External	7	161	380
17	Income Taxes Payable and Accrued	8	0	701
18	Other Accrued Expenses	10	12,567	14,433
19	Other Current Liabilities	11 & 12	21,377	15,790
20	Total Current Liabilities		43,903	40,587
	Long-Term Debt:			
21	Due to Affiliates	7 & 9	215,587	225,529
22	External	7	5,427	5,588
23	Deferred Credits	8	0	32
24	Other Liabilities	4 & 8	2,635	0
25	Commitments and Contingencies	15	0	0
26	Total Liabilities		267,552	271,736
27	Stockholders', Partners', or Proprietor's Equity		147,731	155,131
28	Total Liabilities and Equity		$415,283	$426,867

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

TRUMP TAJ MAHAL ASSOCIATES, LLC
STATEMENTS OF INCOME

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2012 AND 2011

(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	Notes	2012 (c)	2011 (d)
	Revenue:			
1	Casino	2	$293,099	$347,584
2	Rooms	2	52,808	52,575
3	Food and Beverage	2	42,581	44,300
4	Other	2	14,135	15,743
5	Total Revenue		402,623	460,202
6	Less: Promotional Allowances	2	114,968	121,542
7	Net Revenue		287,655	338,660
	Costs and Expenses:			
8	Cost of Goods and Services		217,573	240,889
9	Selling, General, and Administrative	2 & 4	24,739	39,269
10	Provision for Doubtful Accounts	2	1,434	3,181
11	Total Costs and Expenses		243,746	283,339
12	Gross Operating Profit		43,909	55,321
13	Depreciation and Amortization	5 & 6	17,186	20,000
	Charges from Affiliates Other than Interest:			
14	Management Fees		0	0
15	Other	12	6,660	9,677
16	Income (Loss) from Operations		20,063	25,644
	Other Income (Expenses):			
17	Interest Expense - Affiliates	7	(27,369)	(28,140)
18	Interest Expense - External	7 & 8	(804)	4,945
19	CRDA Related Income (Expense) - Net	15	(1,206)	(1,413)
20	Nonoperating Income (Expense) - Net	5,13&14	1,916	157
21	Total Other Income (Expenses)		(27,463)	(24,451)
22	Income (Loss) Before Taxes and Extraordinary Items		(7,400)	1,193
23	Provision (Credit) for Income Taxes	8	0	(7,461)
24	Income (Loss) Before Extraordinary Items		(7,400)	8,654
25	Extraordinary Items (Net of Income Taxes - 2012, $0; 2011, $0)		0	0
26	Net Income (Loss)		($7,400)	$8,654

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

TRUMP TAJ MAHAL ASSOCIATES, LLC
STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED DECEMBER 31, 2012 AND 2011

(UNAUDITED)
($ IN THOUSANDS)

AMENDED MAY 23, 2013

Line (a)	Description (b)	Notes	2012 (c)	2011 (d)
	Revenue:			
1	Casino	2	$53,988	$76,030
2	Rooms	2	10,047	12,296
3	Food and Beverage	2	7,421	10,222
4	Other	2	3,038	3,641
5	Total Revenue		74,494	102,189
6	Less: Promotional Allowances	2	20,916	28,658
7	Net Revenue		53,578	73,531
	Costs and Expenses:			
8	Cost of Goods and Services		46,586	56,786
9	Selling, General, and Administrative	2 & 4	8,469	10,795
10	Provision for Doubtful Accounts	2	623	35
11	Total Costs and Expenses		55,678	67,616
12	Gross Operating Profit		(2,100)	5,915
13	Depreciation and Amortization	5 & 6	4,326	4,193
	Charges from Affiliates Other than Interest:			
14	Management Fees		0	0
15	Other	12	1,298	2,056
16	Income (Loss) from Operations		(7,724)	(334)
	Other Income (Expenses):			
17	Interest Expense - Affiliates	7	(6,854)	(6,806)
18	Interest Expense - External	7 & 8	(156)	6,532
19	CRDA Related Income (Expense) - Net	15	(211)	(301)
20	Nonoperating Income (Expense) - Net	5 & 14	(145)	39
21	Total Other Income (Expenses)		(7,366)	(536)
22	Income (Loss) Before Taxes and Extraordinary Items		(15,090)	(870)
23	Provision (Credit) for Income Taxes	8	0	(7,461)
24	Income (Loss) Before Extraordinary Items		(15,090)	6,591
25	Extraordinary Items (Net of Income Taxes - 2012, $0; 2011, $0)		0	0
26	Net Income (Loss)		($15,090)	$6,591

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

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

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 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..........**	- - - -	$160,092	($13,615)		$146,477
2	Net Income (Loss) - 2011..........	- - - -		8,654		8,654
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..........**	- - - -	160,092	(4,961)	0	155,131
11	Net Income (Loss) - 2012..........	- - - -		(7,400)		(7,400)
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..........**		$160,092	($12,361)	$0	$147,731

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

TRUMP TAJ MAHAL 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...		$9,005	$21,499
	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............................		(4,732)	(7,780)
5	Proceeds from Disposition of Property and Equipment...........	5	1,949	4,253
6	CRDA Obligations	15	(3,977)	(4,481)
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	15	0	996
11	....		0	0
12	Net Cash Provided (Used) By Investing Activities....................		(6,760)	(7,012)
	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..	7	(380)	(354)
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	7	(9,942)	(12,618)
22	....			
23	Net Cash Provided (Used) By Financing Activities...................		(10,322)	(12,972)
24	Net Increase (Decrease) in Cash and Cash Equivalents.............		(8,077)	1,515
25	Cash and Cash Equivalents at Beginning of Period...................		28,009	26,494
26	Cash and Cash Equivalents at End of Period.............................		$19,932	$28,009

	CASH PAID DURING PERIOD FOR:			
27	Interest (Net of Amount Capitalized).......................................		$28,159	$29,282
28	Income Taxes..	8	$701	$1,037

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

TRUMP TAJ MAHAL ASSOCIATES, LLC
STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2012 AND 2011

(UNAUDITED)

($ IN THOUSANDS)

Line (a)	Description (b)	Notes	2012 (c)	2011 (d)
	CASH FLOWS FROM OPERATING ACTIVITIES:			
29	Net Income (Loss)		($7,400)	$8,654
30	Depreciation and Amortization of Property and Equipment	2,5&6	17,186	20,000
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		(84)	(257)
36	(Gain) Loss on CRDA-Related Obligations	15	1,206	1,412
37	(Gain) Loss from Other Investment Activities		0	0
38	(Increase) Decrease in Receivables and Patrons' Checks		(5,153)	2,049
39	(Increase) Decrease in Inventories		332	790
40	(Increase) Decrease in Other Current Assets		1,929	4,032
41	(Increase) Decrease in Other Assets		(410)	1,882
42	Increase (Decrease) in Accounts Payable		515	385
43	Increase (Decrease) in Other Current Liabilities		517	(4,272)
44	Increase (Decrease) in Other Liabilities		1,899	0
45	Asset Impairment Charge	2 & 5	1,100	0
46	Inc Prop Tax Settlement/Income Tax Settlement	4 & 8	(2,632)	(13,176)
47	Net Cash Provided (Used) By Operating Activities		$9,005	$21,499

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Line (a)	Description (b)	Notes	2012 (c)	2011 (d)
	ACQUISITION OF PROPERTY AND EQUIPMENT:			
48	Additions to Property and Equipment		($4,732)	($7,780)
49	Less: Capital Lease Obligations Incurred		0	0
50	Cash Outflows for Property and Equipment		($4,732)	($7,780)
	ACQUISITION OF BUSINESS ENTITIES:			
51	Property and Equipment Acquired		$0	$0
52	Goodwill Acquired		0	0
53	Other Assets Acquired - net		0	0
54	Long-Term Debt Assumed		0	0
55	Issuance of Stock or Capital Invested		0	0
56	Cash Outflows to Acquire Business Entities		$0	$0
	STOCK ISSUED OR CAPITAL CONTRIBUTIONS:			
57	Total Issuances of Stock or Capital Contributions		$0	$0
58	Less: Issuances to Settle Long-Term Debt		0	0
59	Consideration in Acquisition of Business Entities		0	0
60	Cash Proceeds from Issuing Stock or Capital Contributions		$0	$0

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

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

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2012

(UNAUDITED)

($ IN THOUSANDS)

		Promotional Allowances		Promotional Expenses	
Line (a)	**Description (b)**	**Number of Recipients (c)**	**Dollar Amount (d)**	**Number of Recipients (e)**	**Dollar Amount (f)**
1	Rooms	426,596	$31,206	0	$0
2	Food	829,696	14,362	46,879	2,250
3	Beverage	1,768,964	9,328	0	0
4	Travel	0	0	27,217	5,174
5	Bus Program Cash	0	0	0	0
6	Promotional Gaming Credits	3,235,608	44,025	0	0
7	Complimentary Cash Gifts	141,620	12,989	0	0
8	Entertainment	32,501	1,183	6,754	457
9	Retail & Non-Cash Gifts	50,309	1,297	144,532	3,407
10	Parking	0	0	308,256	925
11	Other	7,467	578	28,080	517
12	Total	6,492,761	$114,968	561,718	$12,730

FOR THE THREE MONTHS ENDED DECEMBER 31, 2012

		Promotional Allowances		Promotional Expenses	
Line (a)	**Description (b)**	**Number of Recipients (c)**	**Dollar Amount (d)**	**Number of Recipients (e)**	**Dollar Amount (f)**
1	Rooms	83,894	$6,251	0	$0
2	Food	141,347	2,383	13,420	617
3	Beverage	351,330	1,937	0	0
4	Travel	0	0	5,672	1,034
5	Bus Program Cash	0	0	0	0
6	Promotional Gaming Credits	575,093	7,625	0	0
7	Complimentary Cash Gifts	24,912	1,816	0	0
8	Entertainment	10,796	465	106	14
9	Retail & Non-Cash Gifts	9,449	275	25,710	798
10	Parking	0	0	15,982	48
11	Other	1,590	164	5,612	90
12	Total	1,198,411	$20,916	66,502	$2,601

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

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

FOR THE QUARTER ENDED DECEMBER 31, 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 TAJ MAHAL ASSOCIATES, LLC
Casino Licensee

NOTE 1 - GENERAL

Organization and Operations

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

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

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.

Revenue Recognition and Allowance for Doubtful Accounts

The majority of the Company's revenue is derived from gaming activities. As gaming revenues are primarily generated from cash transactions, the Company's revenues do not typically require the use of estimates. 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	40 years
Furniture, fixtures and equipment	3 - 10 years
Leasehold improvements	40 years or remaining life of lease

Depreciation expense includes amortization of assets under capital lease obligations.

Long-Lived Assets

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

Intangible Assets

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

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	$ 13,772	$ 13,798
Food and beverage	22,744	22,240
Other	2,654	1,707
	$ 39,170	$ 37,745

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, Taj Associates records them as Selling, General and Administrative Expense in the statements of income. Such amounts are expensed on the date the award is utilized by the patron.

Gaming Taxes

Atlantic City casinos are required to pay an annual tax of 8.0% on their gross casino revenues. The Company's gross revenue tax, net of promotional gaming credit deductions, was $19,945 and $23,837 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

Taj Associates expenses advertising costs as they are incurred. Advertising expense was $2,342 and $2,538 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.

NOTE 3 - EVACUATIONS AND CLOSURES OF FACILITIES

Superstorm Sandy

During late October 2012, an unusual mix of a hurricane and winter storm ("Superstorm Sandy") caused widespread property damage and flooding to numerous regions along the Eastern United States. On October 27, 2012, in anticipation of Superstorm Sandy, the Governor of New Jersey ordered the closure of all businesses and the evacuation of Atlantic City, New Jersey. On October 28, 2012, the DGE ordered the temporary suspension of all twelve Atlantic City gaming licenses. The DGE vacated its order on November 2, 2012. Trump Taj Mahal closed to the public on October 28, 2012. Although Superstorm Sandy made landfall in close proximity to Atlantic City, Trump Taj Mahal sustained minor physical damage and was able to reopen on November 2, 2012. The Company's results of operations were, and 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 Taj Mahal 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 the 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 ("Settlement Agreement"). The Settlement Agreement provided that the City would have the option to issue a cash refund to the Company at any time for the unused portion of the credit. As part of the settlement, Taj Associates and Trump Plaza Associates, LLC ("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 the Settlement Agreement whereby the City agreed that, upon (and subject to) completion of a successful offering by the City of its tax appeal refunding bonds, the City would, as permitted by the Settlement Agreement, pay to TER, from the proceeds of the offering, the amount of $50,500 in cash within five days of the City's receipt of the proceeds, in lieu of the five-year credit provided for in the original Settlement Agreement. TER agreed to accept such payment in full satisfaction of amounts due under the Settlement Agreement.

On December 14, 2012, TER and the City agreed to further amend the settlement terms. Under the revised terms, the City agreed that the City would pay TER $35,500 in cash upon receipt of proceeds from the City's bond offering, and that TER 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.

Taj Associates' allocated portion of the present value of the revised settlement, net of estimated legal fees and other expenses, was recorded as a reduction to Selling, General and Administrative Expenses and was estimated to be $17,808.
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, Taj Associates entered into an agreement with the City under which the City agreed to allow Taj Associates to reduce its real estate tax payment for the fourth quarter of 2012 by application of a real estate tax credit in the amount of $607. This credit for the fourth quarter of 2012 was in lieu of a credit in the amount of $623 which the Company would have been entitled to take in 2013 under the terms of a settlement agreement entered into during 2007 between the Company and the City relating to prior real estate tax assessments of the Company's casino property. The agreement regarding the use of this credit in 2012 is set forth in an amendment to the 2007 settlement agreement. This agreement between the Company and the City was unrelated to (and did not have any effect on) the Settlement Agreement discussed above.

NOTE 5 - PROPERTY AND EQUIPMENT

	December 31, 2012	December 31, 2011
Land and land improvements	$ 36,180	$ 37,765
Buildings and building improvements	303,173	305,124
Furniture, fixtures and equipment	40,930	35,563
Construction-in-progress	64	614
	380,347	379,066
Less: accumulated depreciation and amortization	(48,565)	(31,458)
Net property and equipment	$ 331,782	$ 347,608

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

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

In August 2011, the Company sold the Steel Pier, an Atlantic City landmark of approximately 425,000 square feet located across the Boardwalk from the Trump Taj Mahal, to an entity affiliated with the Steel Pier's long-time tenant for a sale price of $4,250. The tenant operated the amusement park on the Steel Pier under a lease which would have continued in effect until December 31, 2016.

In September 2011, the Company sold the "skybridge" which extends over the Boardwalk connecting the Trump Taj Mahal to the Steel Pier, for $250, to the same entity that purchased the Steel Pier.

NOTE 6 – INTANGIBLE ASSETS

	As of December 31, 2012			As of December 31, 2011		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Indefinite-Lived Intangible Assets:						
Trademarks	$ 8,700		$ 8,700	$ 8,700		$ 8,700

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

NOTE 7 - DEBT

	December 31, 2012	December 31, 2011
12% Revolving Grid Note - TER Holdings, due December 31, 2015, interest due and payable monthly	$ 215,587	$ 225,529
Capitalized lease obligations, payments due at various dates through 2028, secured by equipment financed, interest rates at 8.5% to 12%	5,588	5,968
	221,175	231,497
Less: current maturities	(161)	(380)
Long-term debt, net of current maturities	$ 221,014	$ 231,117

12% Revolving Grid Note

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

Guarantees

Taj Associates, along with Plaza 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 TER Holdings and Taj 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 and capital lease obligations mature as follows:

	Long-Term Debt	Capitalized Lease Obligations	Total
2013	$ -	$ 824	$ 824
2014	-	824	824
2015	215,587	818	216,405
2016	-	793	793
2017	-	793	793
Thereafter	-	7,993	7,993
Total minimum payments	215,587	12,045	227,632
Less: amount representing interest	-	(6,457)	(6,457)
Total value of principal payments	$ 215,587	$ 5,588	$ 221,175

NOTE 8 - 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, 2012, the Company has state net operating loss carryforwards of approximately $394,000 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:

	December 31,	
	2012	**2011**
Current	$ -	$ 7,461
Deferred	-	-
	$ -	$ 7,461

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 $880. 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	$ 1,666
Increases (decreases) related to current year tax positions	29
Increases (decreases) related to prior years tax positions	-
Decreases related to settlements with taxing authorities	(701)
Decreases resulting from the expiration of statutes of limitations	(114)
Unrecognized tax benefits at December 31, 2012	$ 880

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 $5,715 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:

	December 31,	
	2012	**2011**
Deferred tax assets:		
Accruals and prepayments	$ 3,328	$ 4,547
Basis differences on property and equipment, net	36,091	37,776
Basis differences on intangible and other assets	8,969	8,677
Net operating loss carryforwards	23,045	18,727
	71,433	69,727
Less: Valuation allowance	(69,978)	(69,618)
	1,455	109
Deferred tax liabilities:		
Other	(1,455)	(109)
	(1,455)	(109)
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 $2,201 (the "Settlement Payment") and was deemed to be an allowed priority tax claim, as defined in the Plan of Reorganization, in the amount of $2,201. The Stipulation 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 $1,500, to the Division. The second and final installment payment of $701 was paid by the Company to the Division on April 30, 2012.

In connection with the Stipulation, the Company reversed $13,176 of previously recognized expense comprised of $7,461 of income tax expense and $5,715 of interest expense related to the AMA.

NOTE 9 - FAIR VALUE MEASUREMENTS

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

- Level 1: Observable inputs such as quoted prices in active markets for identical assets or liabilities.

- Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; these include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

- Level 3: Unobservable inputs that reflect the reporting entity's own assumptions.

Balances Measured at Fair Value

	December 31, 2012				December 31, 2011			
	Balance	**Level 1**	**Level 2**	**Level 3**	**Balance**	**Level 1**	**Level 2**	**Level 3**
CRDA bonds and deposits	$22,540	—	$22,540	—	$20,121	—	$20,121	—

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 15.

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:

	December 31,			
	2012		2011	
	Carrying amount	Fair value	Carrying amount	Fair value
12% Grid Note	$ 215,587	*	$ 225,529	*

* 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 10 - OTHER ACCRUED EXPENSES

	December 31,	
	2012	**2011**
Accrued payroll and related taxes	$ 7,113	$ 9,115
Accrued CRDA obligation	680	963
Accrued workers compensation claims-Chairman Tower	320	963
Accrued AC Alliance fees	852	-
Other *	3,602	3,392
Total	$ 12,567	$ 14,433

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

NOTE 11 – OTHER CURRENT LIABILITIES

	December 31,	
	2012	2011
Self insurance reserves	$ 8,722	$ 7,624
Unredeemed chips and tokens	1,953	2,768
Due to Affiliates	1,378	1,766
Trump One Card liability	1,211	1,451
Professional fees related to Property Tax Settlement	5,878	-
Other*	2,235	2,181
Total	$ 21,377	$ 15,790

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

NOTE 12 - TRANSACTIONS WITH AFFILIATES

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

	December 31,	
	2012	2011
Plaza Associates	$ (1,478)	$ (1,154)
Marina Associates	(980)	447
TER	3,836	2,473
Total	$ 1,378	$ 1,766

Taj 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 for Taj Associates, Plaza Associates and Marina Associates. Trump Administration allocated expenses associated with such services to Marina Associates and Plaza Associates totaling $2,989 and $6,213 during the twelve months ended December 31, 2012 and 2011, respectively. Plaza Associates and Marina Associates reimburse Trump Administration for these allocated expenses.

On May 24, 2011, TER and Marina Associates completed the sale of the Trump Marina Hotel Casino ("Trump Marina") to Golden Nugget Atlantic City, LLC ("Golden Nugget"). 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 13 - INCOME RELATED TO UTILITY AGREEMENTS

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

NOTE 14 - NON-OPERATING INCOME (EXPENSE)

	December 31, 2012	December 31, 2011
Interest income	$ 367	$ 157
Impairment charge – Off-Site Warehouse (Note 5)	(1,100)	-
Income Related to Utility Agreements (Note 13)	2,649	-
Total	$ 1,916	$ 157

NOTE 15 - COMMITMENTS & CONTINGENCIES

Leases

The Company has entered into leases for certain property and various equipment under operating leases. Rent expense for the years ended December 31, 2012 and 2011 was $1,564 and $1,657, respectively.

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

2013	$ 1,137
2014	814
2015	543
2016	—
2017	—
Thereafter	—
Total minimum payments	$ 2,494

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

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

Legal Proceedings

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

Estate of Martin Caballero Lawsuit

On May 18, 2012, a lawsuit was filed by the estate and certain family members of Martin Caballero against TER and certain of its affiliates, including Taj Associates, in the Superior Court of New Jersey, Hudson County, Law Division (Docket No L-2553-12). The lawsuit alleges, among other things, negligence by TER and certain of its affiliates, including Taj Associates, in connection with the May 21, 2010 kidnapping of Mr. Caballero by two assailants on the grounds of the Company's parking garage, and Mr. Caballero's subsequent murder. The lawsuit seeks unspecified damages with respect to such claim. The Company intends to vigorously defend such case and has contacted its liability insurance carrier regarding any losses incurred in connection with this lawsuit. This matter is currently in the early stages of litigation.

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 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 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 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.

For the years ended December 31, 2012 and 2011, the Company charged to operations $1,206 and $1,413, respectively, to give effect to the below market interest rates associated with CRDA deposits and bonds.

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

	December 31, 2012	December 31, 2011
CRDA deposits, net of allowances of $3,454 and $2,222, respectively	$ 15,947	$ 16,128
CRDA bonds, net of allowances of $2,281 and $954, respectively	6,593	3,993
	$ 22,540	$ 20,121

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.

On February 11, 2011, TER and its subsidiary, Marina Associates, entered into the Asset Purchase Agreement dated as of February 11, 2011 (the “Asset Purchase Agreement”) with Landry's A/C Gaming, Inc. (“Landry’s A/C”) and its affiliate Landry’s Restaurants, Inc. (“Landry’s”), providing for the sale of the Trump Marina (the “Property”) to Landry's A/C. Landry's A/C subsequently assigned its rights under the Asset Purchase Agreement to its newly formed affiliate, Golden Nugget Atlantic City, LLC (“Golden Nugget”).

Pursuant to the Asset Purchase Agreement, all promotional gaming credits attributable or related to Marina Associates are to be maintained by Marina Associates or its affiliates. Marina Associates had not yet received the full recovery of its pro rata share of the costs of the 2008 Subsidy Agreement. Marina Associates then transferred its rights to future promotional gaming credits and the associated benefits of such credits to the Company. Subsequent to this transfer, the Company deducted the promotional gaming credits transferred from Marina Associates from the calculation of the tax on casino gross revenue. As of December 31, 2012, the Company had fully recovered Marina Associates’ pro rata share of the costs of the 2008 Subsidy Agreement.

The Company expensed its share of the $90,000, approximately $9,752 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 $4,706 during the year ended December 31, 2011 (of which $792 related to Marina Associates).

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 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 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 $3,060 related to its portion of the $30,000 contribution made during 2012. During the year ended December 31, 2011, the Company recognized $564 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 $1,824 related to Taj 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 $996 related to Taj 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.

NOTE 16 - 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 1,400 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 $3,643 and $3,332, 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 $558 and $553, respectively.

TRUMP TAJ MAHAL 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 TAJ MAHAL 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...............................	$5,439		
2	Returned Patrons' Checks....................................	6,270		
3	Total Patrons' Checks..	11,709	$4,351	$7,358
4	Hotel Receivables...	1,217	159	$1,058
	Other Receivables:			
5	Receivables Due from Officers and Employees....			
6	Receivables Due from Affiliates..........................			
7	Other Accounts and Notes Receivables................	16,213		
8	Total Other Receivables.....................................	16,213		$16,213
9	Totals (Form DGE-205)...	$29,139	$4,510	$24,629

UNDEPOSITED PATRONS' CHECKS ACTIVITY		
Line (f)	**Description (g)**	**Amount (h)**
10	Beginning Balance (January 1)..	$7,801
11	Counter Checks Issued...	179,949
12	Checks Redeemed Prior to Deposit..	(138,904)
13	Checks Collected Through Deposits..	(34,362)
14	Checks Transferred to Returned Checks..	(9,045)
15	Other Adjustments..	
16	Ending Balance..	$5,439
17	"Hold" Checks Included in Balance on Line 16..	0
18	Provision for Uncollectible Patrons' Checks..	$1,327
19	Provision as a Percent of Counter Checks Issued...	0.7%

TRUMP TAJ MAHAL 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)	Salaries and Wages: Officers & Owners (e)	Salaries and Wages: Totals (f)
	CASINO:				
1	Table and Other Games	787			
2	Slot Machines	79			
3	Administration	5			
4	Casino Accounting	147			
5	Simulcasting	0			
6	Other	8			
7	Total - Casino	1,026	$21,727	$203	$21,930
8	ROOMS	454	9,195	262	9,457
9	FOOD AND BEVERAGE	775	17,451	0	17,451
10	GUEST ENTERTAINMENT	38	1,592	221	1,813
11	MARKETING	111	5,320	296	5,616
12	OPERATION AND MAINTENANCE	205	7,235	0	7,235
	ADMINISTRATIVE AND GENERAL:				
13	Executive Office	0	0	0	0
14	Accounting and Auditing	86	2,728	200	2,928
15	Security	176	5,720	0	5,720
16	Other Administrative and General	81	3,628	291	3,919
	OTHER OPERATED DEPARTMENTS:				
17	Transportation	76	1,260	0	1,260
18	Health Club	10	239	0	239
19	Retail Operations	13	300	0	300
20					0
21					0
22					0
23	TOTALS - ALL DEPARTMENTS	3,051	$76,395	$1,473	$77,868