

Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of)
Caesars Entertainment Corporation) File No.: EB-IHD-19-00030080
Holding Various Licenses in the Wireless Radio) Acct. No.: 202032080029
Services) FRN: 0018422956

ORDER

Adopted: July 16, 2020

Released: July 16, 2020

By the Chief, Enforcement Bureau:

1. A primary responsibility of the Federal Communications Commission (Commission or FCC) is determining whether transfers of wireless licenses are in the public interest, convenience, and necessity before such transfers occur. The unauthorized transfer of wireless licenses thwarts this key FCC responsibility and is prohibited. The Enforcement Bureau (Bureau) and Caesars Entertainment Corporation (Caesars or the Company) have entered into a Consent Decree to resolve its investigation into whether Caesars violated section 310(d) of the Communications Act of 1934, as amended (Act),1 and section 1.948 of the Commission’s rules.2 These violations pertain to unauthorized transfers of control and assignments of licenses in the wireless radio service in connection with the Company’s filing of a petition for reorganization pursuant to Chapter 11 of the United States Bankruptcy Code.3 During the reorganization, certain Caesars’ subsidiaries were transferred in a series of forty-two pro forma and five substantial transactions without Commission authorization. To resolve this matter, Caesars agrees to implement a compliance plan and pay an \$127,000 civil penalty. This action will ensure that the transfer and assignment of wireless authorizations is limited to instances where there has been a prior determination that such a transfer or assignment is in the public’s interest, convenience, and necessity.

2. After reviewing the terms of the Consent Decree and evaluating the facts before us, we find that the public interest will be served by adopting the Consent Decree and terminating the referenced investigation regarding Caesars’ compliance with the Act4 and the Rules5 pertaining to unauthorized transfers of control and assignments of licenses.

1 47 U.S.C. § 310(b).

2 47 CFR § 1.948.

3 11 U.S.C. § 101 et seq.

4 47 U.S.C. § 310(b).

5 47 CFR § 1.948.

3. In the absence of material new evidence relating to this matter, we do not set for hearing the question of Caesars' basic qualifications to hold or obtain any Commission license or authorization.⁶

4. Accordingly, **IT IS ORDERED** that, pursuant to section 4(i) of the Act⁷ and the authority delegated by sections 0.111 and 0.311 of the Commission's rules,⁸ the attached Consent Decree **IS ADOPTED** and its terms incorporated by reference.

5. **IT IS FURTHER ORDERED** that the above-captioned investigation **IS TERMINATED**.

6. **IT IS FURTHER ORDERED** that a copy of this Order and Consent Decree shall be served via e-mail to Debra McGuire Mercer, counsel for Caesars Entertainment Corporation, at mercercdm@gtlaw.com, and to Eric Hession at ehession@caesars.com.

FEDERAL COMMUNICATIONS COMMISSION

Rosemary Harold
Chief
Enforcement Bureau

⁶ 47 CFR § 1.93(b).

⁷ 47 U.S.C. § 154(i).

⁸ 47 CFR §§ 0.111, 0.311.

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Caesars Entertainment Corporation)	File No.: EB-IHD-19-00030080
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Holding Various Licenses in the Wireless Radio Services)	FRN: 0018422956
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CONSENT DECREE

1. A primary responsibility of the Federal Communications Commission (Commission or FCC) is determining whether transfers of wireless licenses are in the public interest, convenience, and necessity before such transfers occur. The unauthorized transfer of wireless licenses thwarts this key FCC responsibility and is prohibited. The Enforcement Bureau (Bureau) and Caesars Entertainment Corporation (Caesars or the Company), by their authorized representatives, hereby enter into this Consent Decree for the purpose of terminating the Bureau's investigation into whether the Company violated section 310(d) of the Communications Act of 1934, as amended (Act),¹ and section 1.948 of the Commission's rules (Rules).² The violations pertain to unauthorized transfers of control and assignments of licenses in the wireless radio service in connection with the Company's filing of a petition for reorganization pursuant to Chapter 11 of the United States Bankruptcy Code.³ During the reorganization, certain Caesars' subsidiaries were transferred in a series of forty-two pro forma and five substantial transactions without Commission authorization. As set forth herein, to resolve this matter, Caesars agrees to implement a compliance plan and pay a \$127,000 civil penalty. This action will ensure that the transfer and assignment of wireless authorizations is limited to instances where there has been a prior determination that such a transfer or assignment is in the public's interest, convenience, and necessity.

I. DEFINITIONS

2. For the purposes of this Consent Decree, the following definitions shall apply:
- (a) "Act" means the Communications Act of 1934, as amended.⁴
 - (b) "Adopting Order" means the Order of the Bureau adopting the terms of this Consent Decree without addition, change, deletion, or modification.
 - (c) "Bankruptcy Case" means the voluntary petitions for reorganization under Chapter 11 of the U.S. Bankruptcy Code filed in *Caesars Entertainment Operating Company, Inc., et al.*, Case No. 15-01145 (Bankr. N.D. Ill.), filed and currently pending in the Bankruptcy Court.
 - (d) "Caesars" or "Company" means Caesars Entertainment Corporation, its U.S. subsidiaries, affiliates, predecessors-in-interest, and successors-in-interest.

¹ 47 U.S.C. § 310(d).

² 47 CFR § 1.948.

³ 11 U.S.C. § 101 *et seq.*

⁴ 47 U.S.C. § 151 *et seq.*

- (e) “CEOC” means Caesars Entertainment Operating Company, Inc., a subsidiary of Caesars, its U.S. subsidiaries, affiliates, predecessors-in-interest, and successors-in-interest.
- (f) “Court” or “Bankruptcy Court” means the United States Bankruptcy Court for the Northern District of Illinois with jurisdiction over the Bankruptcy Case.
- (g) “Commission” or “FCC” means the Federal Communications Commission and all of its bureaus and offices.
- (h) “Communications Laws” means, collectively, the Act, the Rules, and the published and promulgated orders and decisions of the Commission to which Caesars is subject by virtue of its business activities, including but not limited to, the Unauthorized Transfer Laws.
- (i) “Compliance Officer” means the individual designated in Paragraph 15 of this Consent Decree as the person responsible for administration of the Compliance Plan.
- (j) “Compliance Plan” means the compliance obligations, program, and procedures described in this Consent Decree at Paragraph 16.
- (k) “Covered Employees” means all employees and agents of the Company who perform, manage, oversee, or supervise the performance of duties that relate to Caesars’ responsibilities under the Communications Laws, including the Unauthorized Transfer Laws.
- (l) “Effective Date” means the date on which both the Bureau and Caesars sign the Consent Decree and the Bureau releases an Adopting Order.
- (m) “Enforcement Bureau” means the Enforcement Bureau of the Commission.
- (n) “Event of Default” means the Company’s failure to pay the full amount of the agreed-upon civil penalty by the due date specified herein.
- (o) “Investigation” means the investigation commenced by the Bureau in File No. EB-IHD-19-00030080 regarding whether Caesars violated provisions the Unauthorized Transfer Laws.
- (p) “Operating Procedures” means the standard, internal operating procedures and compliance policies established by Caesars to implement the Compliance Plan.
- (q) “Parties” means Caesars and the Bureau, each of which is a “Party.”
- (r) “Plan Confirmation Order” means the Order Confirming Debtors’ Third Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code issued by the Bankruptcy Court on January 17, 2017.
- (s) “Rules” means the Commission’s regulations found in Title 47 of the Code of Federal Regulations.
- (t) “Unauthorized Transfer Laws” means section 310(d) of the Act and section 1.948 of the Rules, pertaining to the unauthorized transfers of control and assignments of licenses.⁵
- (u) “Wireless Bureau” means the Wireless Telecommunications Bureau of the Commission.

⁵ 47 U.S.C. § 310(d); 47 CFR § 1.948.

- (v) “Wireless License Applications” means FCC Forms 601 and 603.
- (w) “Wireless Radio Service Rules” means those rules set forth in section 1.907 of the Rules, pertaining to radio services authorized in Parts 13, 20, 22, 24, 26, 27, 74, 80, 87, 90, 95, 97 and 101 of the Rules.⁶
- (x) “Wireless Radio Services” means those radio services as defined in section 1.907 of the Rules.⁷

II. BACKGROUND

3. *Legal Framework.* The consent of the Commission is required prior to any transfer of control of a Commission permit or license. In this regard, section 310(d) of the Act provides that:

[n]o construction permit or station license, or any rights thereunder, shall be transferred, assigned, or disposed of in any manner, voluntarily or involuntarily, directly or indirectly, or by transfer of control of any corporation holding such permit or license, to any person except upon application to the Commission and upon finding by the Commission that the public interest, convenience, and necessity will be served thereby.⁸

4. Section 1.948 of the Rules similarly requires that applicants seek and receive Commission consent prior to conducting a transfer of control or making an assignment of a Commission license.⁹ Section 1.948 also provides that in the case of a transfer of control of a wireless license, the licensee must file FCC Form 603 to seek prior approval of the transfer.¹⁰ Specifically, Sections 1.948(c) and (g) of the Rules require that in the case of an involuntary assignment or transfer of wireless licenses, such as occurs when a company undergoes reorganization pursuant to a petition for reorganization in bankruptcy, FCC Form 603 must be filed no later than 30 days after the event causing the involuntary assignment or transfer.¹¹

5. *Factual Background.* Caesars operates resorts and casinos in the United States and in foreign countries.¹² On January 15, 2015, Caesars Entertainment Operating Company, Inc. (CEOC), a subsidiary of Caesars, implemented a financial restructuring plan through the bankruptcy court.¹³ CEOC,

⁶ 47 CFR § 1.907 *et seq.*

⁷ *Id.*; 47 CFR Parts 13, 20, 22, 24, 26, 27, 74, 80, 87, 90, 95, 97, and 101.

⁸ 47 U.S.C. § 310(d).

⁹ 47 CFR § 1.948.

¹⁰ *FCC Application for Assignments of Authorization or Transfer of Control: Wireless Telecommunications Bureau, Public Safety and Homeland Security Bureau*, FCC Form 603 (2016) (Form 603).

¹¹ Transfers or assignments that occur through operation of law, such as events of voluntary or involuntary bankruptcy, *e.g.*, where control passes from the licensee to the licensee as debtor-in-possession, require licensees to file Form 603 with the FCC within 30 days of their change in status. *See, e.g.*, 47 C.F.R. § 1.948(c)(2), (g); *Wireless Telecommunications Bureau Grants Applications for Assignment of Licenses to WorldCom, Inc. and Its Subsidiaries as Debtors in Possession*, Public Notice, 17 FCC Rcd 24530, para. 1, note 2 (2002); *Tricom USA, Inc.*, Order and Consent Decree, 26 FCC Rcd 16056, 16061, para. 7 (EB 2011).

¹² *See* Caesars Entertainment Operating Company Inc., Application for Transfer of Control, ULS File No. 008123481, *et al.*, Attachment 1 (Waiver Request); Attachment 2 (Description of Transaction); Attachment 3 (Plan and Restructuring Memo) (filed Mar. 7, 2018) (*Remedial Applications and Waiver Request*); Attachment 1 at 1-2. <http://appsint.fcc.gov/UlsApp/ApplicationSearch/appMain.jsp?applID=10787876>.

¹³ *See* E-mail from Debra McGuire Mercer, counsel for Caesars Entertainment Corporation, to Gary Oshinsky, Attorney Advisor, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission (continued....)

which owns and operates many of the properties in the Caesars network, together with certain of its subsidiaries, filed voluntary petitions for reorganization under Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Illinois in Chicago.¹⁴

6. On January 17, 2017, the Bankruptcy Court entered an Order Confirming Debtors' Third Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code (Plan Confirmation Order).¹⁵ Thereafter, on October 6, 2017, pursuant to the Plan Confirmation Order, the Debtors closed all transactions approved by the court's order and were converted into debtors-in-possession by operation of law.¹⁶ The transactions restructured CEOC by separating virtually all of its U.S.-based gaming operating assets and real property assets into two companies comprised of an operating entity and a newly formed, publicly-traded real estate investment trust named VICI Properties Inc.¹⁷

7. The wireless licenses at issue in this case are used for private non-common carrier communications purposes at Caesars' individual properties.¹⁸ On March 7, 2018, Caesars filed the lead wireless license application seeking Commission approval for its prior transfers of control of its licenses in its bankruptcy proceeding.¹⁹ On March 27, 2018, the Wireless Bureau referred this matter to the Enforcement Bureau for investigation.

8. The Investigation revealed that the unreported transactions included the pro forma assignments of licenses from CEOC Inc. to CEOC Inc., Debtor-in-Possession, on January 15, 2015, and also the removal of CEOC Inc.'s debtor-in-possession status via pro forma transfer of control of licenses from CEOC Inc. to CEOC, LLC, on October 6, 2017, pursuant to the bankruptcy court's Plan Confirmation Order.²⁰ In addition, the Investigation revealed that the unreported transactions included substantial transfers of control of wireless licenses²¹ that occurred after the bankruptcy-related

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Commission at 1 (February 14, 2020 17:06 EDT) (on file in EB-IHD-19-00030080) (Caesars February 14th E-mail).

¹⁴ See Letter from Debra McGuire Mercer, counsel for Caesars Entertainment Corporation, to Gary Oshinsky, Attorney Advisor, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, dated January 24, 2020 (January 24th Letter); see also Caesars Entertainment Operating Company, Inc., *et al.*, Case No. 15-01145 (Bankr. N.D. Ill.).

¹⁵ See *Remedial Applications and Waiver Request*, Attachment 1 at 1-2.

¹⁶ *Id.* (The change in status from licensees to Debtors-in-Possession pursuant to the Plan Confirmation Order necessitated the filing of Form 603. Caesars had previously filed for Special Temporary Authority covering the operation of these licenses). *Id.*

¹⁷ See January 24th Letter at 4.

¹⁸ See Caesars February 14th E-mail at 1.

¹⁹ See *Remedial Applications and Waiver Request*. The Description of Transaction attached to the application states that "Licensee recognizes that this Application is being filed after the date required by Section 1.948 of the Commission's rules (47 C.F.R. § 1.948)," and that "[f]or the reasons stated in the Request for Waiver filed with this Application, Licensee requests the Commission to accept this Application for filing." *Id.*, Attachment 2 at 1.

²⁰ See January 24th Letter at 1-2. Accordingly, ultimate control of the licenses subject to the bankruptcy remained with Caesars, both before and after CEOC and certain of its subsidiaries emerged from bankruptcy. See *Remedial Applications and Waiver Request*, Attachment 2 at 1.

²¹ A substantial transfer of control occurs, *inter alia*, when controlling interest in the licensee shifts to a party whose qualifications have not yet been ascertained by the Commission. See *Questions and Answers Regarding Private Wireless Licensees' Obligations Under Section 310(d) of the Communications Act of 1934*, Fact Sheet (Sept. 19, 2000), 2000 WL 1340584, at *2.

transactions were completed.²² Specifically, such transfers occurred when subsidiaries of CEOC conveyed certain of their assets, including real property and related FCC-licensed assets, to subsidiaries of VICI Properties.²³ These later transactions resulted in the *de facto* transfer of control of the wireless licenses involved.²⁴

9. To resolve the Bureau's Investigation, the Parties now enter into this Consent Decree pursuant to which Caesars will develop and implement a compliance plan to ensure Caesars' future compliance with the Unauthorized Transfer Laws and shall agree to pay a civil penalty.

III. TERMS OF AGREEMENT

10. **Adopting Order.** The provisions of this Consent Decree shall be incorporated by the Bureau in the Adopting Order without change, addition, deletion, or modification.

11. **Jurisdiction.** The Company agrees that the Bureau has jurisdiction over it and the matters contained in this Consent Decree and that the Bureau has the authority to enter into and adopt this Consent Decree.

12. **Effective Date.** The Parties agree that this Consent Decree shall become effective on the Effective Date as defined herein. As of the Effective Date, the Parties agree that the Adopting Order and this Consent Decree shall have the same force and effect as any other order of the Commission.

13. **Termination of Investigation.** In express reliance on the covenants and representations in this Consent Decree and to avoid further expenditure of public resources, the Bureau agrees to terminate the Investigation. In consideration for the termination of the Investigation, the Company agrees to the terms, conditions, and procedures contained herein. The Bureau further agrees that, in the absence of new material evidence, the Bureau will not use the facts developed in this Investigation through the Effective Date, or the existence of this Consent Decree, to institute on its own motion any new proceeding, formal or informal, or take any action on its own motion against the Company concerning the matters that were the subject of the Investigation. The Bureau also agrees that, in the absence of new material evidence, it will not use the facts developed in the Investigation through the Effective Date, or the existence of this Consent Decree, to institute on its own motion any proceeding, formal or informal, or to set for hearing the question of the Company's basic qualifications, including its character qualifications, to be a Commission licensee or to hold Commission licenses or authorizations.

14. **Admission of Liability.** Caesars admits, solely for the purpose of this Consent Decree and for Commission civil enforcement purposes, and in express reliance on the provisions of Paragraph 13 herein, that its actions described in Paragraphs 5 through 8 of this Consent Decree violated the Unauthorized Transfer Laws.

15. **Compliance Officer.** Within thirty (30) calendar days of the Effective Date, the Company shall designate a senior corporate manager with the requisite corporate and organizational

²² See e.g., Grand Casinos Inc., Application for Assignment of Authorization, ULS File No. 0008817043, *et al.*, Attachment 1 (Waiver Request); Attachment 2 (Description of Transaction) (filed Sep. 26, 2019) (*Second Remedial Applications and Waiver Request*); Attachment 1 at 2-4; January 24th Letter at 3-4. <http://appsint.fcc.gov/ULsApp/ApplicationSearch/applMain.jsp?applID=11738330>

²³ *Id.*, Attachment 1 at 2-4. VICI Properties Inc. is a real estate investment trust formed as part of CEOC Inc.'s restructuring. VICI Properties Inc. has several subsidiaries, including Grand Bear, *inter alia*, that own real estate formerly owned by CEOC Inc. or one of its subsidiaries. See *id.*

²⁴ A *de facto* transfer of control of a wireless license occurs when control of the wireless station facility passes to a new entity through a sale, merger or other transfer of the transmitter facility without Commission approval of the legal transfer of the related wireless authorization. See, e.g., *Spectracom LLC*, Forfeiture Order, 22 FCC Rcd 19991, 19993, paras. 1, 6 (EB-IHD 2007).

authority to serve as Compliance Officer and to discharge the duties set forth below. The person designated as the Compliance Officer shall be responsible for developing, implementing, and administering the Compliance Plan and ensuring that the Company complies with the terms and conditions of the Compliance Plan and this Consent Decree. In addition to the general knowledge of the Communications Laws necessary to discharge his or her duties under this Consent Decree, the Compliance Officer shall have knowledge of the Unauthorized Transfer Laws prior to assuming his or her duties.

16. **Compliance Plan.** For purposes of settling the matters set forth herein, the Company agrees that it shall, within sixty (60) calendar days of the Effective Date, develop and implement a Compliance Plan designed to ensure compliance with the Communications Laws and with the terms and conditions of this Consent Decree. With respect to Unauthorized Transfer Laws, including with regard to transfers of control and assignments of wireless licenses as the result of corporate acquisitions or asset transfers, the Company will implement, at a minimum, the following procedures:

- (a) **Operating Procedures.** Within thirty (30) calendar days of the Effective Date, the Company shall establish Operating Procedures that all Covered Employees must follow to help ensure the Company's compliance with the Unauthorized Transfer Laws. The Company shall also develop a Compliance Checklist that describes the steps that a Covered Employee must follow to ensure compliance with the Unauthorized Transfer Laws.
- (b) **Compliance Manual.** Within sixty (60) calendar days of the Effective Date, the Compliance Officer shall develop and distribute a Compliance Manual to all Covered Employees. The Compliance Manual shall explain the Communications Laws that apply to the Company, including the Unauthorized Transfer Laws, and shall set forth the Operating Procedures that Covered Employees shall follow to help ensure the Licensee's compliance with Unauthorized Transfer Laws, including procedures required as a result of corporate acquisitions or asset transfers. The Company shall periodically review and revise the Compliance Manual as necessary to ensure that the information set forth therein remains current and complete. The Company shall distribute any revisions to the Compliance Manual promptly to all Covered Employees.
- (c) **Compliance Training Program.** Within sixty (60) calendar days of the Effective Date, the Company shall establish and implement a Compliance Training Program on compliance with the Unauthorized Transfer Laws and the Operating Procedures. As part of the Compliance Training Program, Covered Employees shall be advised of the Company's obligation to report any noncompliance with the Unauthorized Transfer Laws, under this paragraph of this Consent Decree, and shall be instructed on how to disclose noncompliance to the Compliance Officer. All Covered Employees shall be trained pursuant to the Compliance Training Program within sixty (60) calendar days after the Effective Date. Any person who becomes a Covered Employee at any time after the initial Compliance Training Program is conducted shall be trained within thirty (30) calendar days after the date such person becomes a Covered Employee. The Company shall repeat the compliance training on an annual basis and shall periodically review and revise the Compliance Training Program as necessary to ensure that it remains current and complete and to enhance its effectiveness.

17. **Reporting of Noncompliance.** The Company shall report any noncompliance with the Unauthorized Transfer Laws, and with the terms and conditions of this Consent Decree within fifteen (15) calendar days after discovery of such noncompliance. Such reports shall include a detailed explanation of: (a) each instance of noncompliance; (b) the steps that the Company has taken or will take to address such noncompliance; (c) the schedule on which such remedial actions will be taken; and (d) the steps that the Company has taken or will take to prevent the recurrence of any such noncompliance. All reports of

noncompliance shall be submitted to the Chief, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, Room 4-C330, 445 12th Street, SW, Washington, DC 20554, with a copy submitted electronically to Jeffrey J. Gee at Jeffrey.Gee@fcc.gov, Christopher J. Sova at Christopher.Sova@fcc.gov, Kenneth M. Scheibel, Jr., at Kenneth.Scheibel@fcc.gov, and Gary Oshinsky at Gary.Oshinsky@fcc.gov.

18. **Compliance Reports.** The Company shall file Compliance Reports with the Bureau one hundred and twenty (120) calendar days after the Effective Date, twelve (12) months after the Effective Date, twenty-four (24) months after the Effective Date, and thirty-six (36) months after the Effective Date.

- A. Each Compliance Report shall include a detailed description of the Company's efforts during the relevant period to comply with the terms and conditions of this Consent Decree and the Unauthorized Transfer Laws, including with regard to transfers of control and assignments of wireless licenses as the result of corporate acquisitions or asset transfers. In addition, each Compliance Report shall include a certification by the Compliance Officer, as an agent of and on behalf of the Company, stating that the Compliance Officer has personal knowledge that the Company: (i) has established and implemented the Compliance Plan; (ii) has utilized the Operating Procedures since the implementation of the Compliance Plan; and (iii) is not aware of any instances of noncompliance with the terms and conditions of this Consent Decree, including the reporting obligations set forth in this Consent Decree.
- B. The Compliance Officer's certification shall be accompanied by a statement explaining the basis for such certification and must comply with section 1.16 of the Rules²⁵ and be subscribed to as true under penalty of perjury in substantially the form set forth therein.
- C. If the Compliance Officer cannot provide the requisite certification, the Compliance Officer, as an agent of and on behalf of the Company, shall provide the Commission with a detailed explanation of the reason(s) why and describe fully: (i) each instance of noncompliance; (ii) the steps that the Company has taken or will take to remedy such noncompliance, including the schedule on which proposed remedial action will be taken; and (iii) the steps that the Licensee has taken or will take to prevent the recurrence of any such noncompliance, including the schedule on which such preventive action will be taken.
- D. All Compliance Reports shall be submitted to the Chief, Investigations & Hearings Division, Enforcement Bureau, Federal Communications Commission, Room 4-C330, 445 12th Street, SW, Washington, DC 20554, with a copy submitted electronically to Jeffrey J. Gee at Jeffrey.Gee@fcc.gov, Christopher J. Sova at Christopher.Sova@fcc.gov, Kenneth M. Scheibel, Jr., at Kenneth.Scheibel@fcc.gov, and Gary Oshinsky at Gary.Oshinsky@fcc.gov.

19. **Termination Date.** Unless stated otherwise, the requirements set forth in Paragraphs 15 to 18 of this Consent Decree shall expire thirty-six (36) months after the Effective Date.

20. **Civil Penalty.** The Company shall pay a total civil penalty to the United States Treasury in the amount of one hundred and twenty-seven thousand dollars (\$127,000) within thirty (30) calendar days after the Effective Date. The Company acknowledges and agrees that upon execution of this Consent Decree, the Civil Penalty shall become a "Claim" or "Debt" as defined in 31 U.S.C. § 3701(b)(1).²⁶ Upon an Event of Default, all procedures for collection as permitted by law may, at the

²⁵ 47 CFR § 1.16.

²⁶ Debt Collection Improvement Act of 1996, Pub. L. No. 104-134, 110 Stat. 1321, 1358 (Apr. 26, 1996).

Commission's discretion, be initiated. The Company shall send electronic notification of payment to Jeffrey J. Gee at Jeffrey.Gee@fcc.gov, Christopher J. Sova at Christopher.Sova@fcc.gov, Kenneth M. Scheibel, Jr., at Kenneth.Scheibel@fcc.gov, and Gary Oshinsky at Gary.Oshinsky@fcc.gov on the date said payment is made. The payment must be made by credit card, ACH (Automated Clearing House) debit from a bank account using the Commission's Fee Filer (the Commission's online payment system),²⁷ or by wire transfer. The Commission no longer accepts civil penalty payments by check or money order. Below are instructions that payors should follow based on the form of payment selected:²⁸

- Payment by wire transfer must be made to ABA Number 021030004, receiving bank TREAS/NYC, and Account Number 27000001. A completed Form 159 must be faxed to the Federal Communications Commission at 202-418-2843 or e-mailed to RROGWireFaxes@fcc.gov on the same business day the wire transfer is initiated. Failure to provide all required information in Form 159 may result in payment not being recognized as having been received. When completing FCC Form 159, enter the Account Number in block number 23A (call sign/other ID), enter the letters "FORF" in block number 24A (payment type code), and enter in block number 11 the FRN(s) captioned above (Payor FRN).²⁹ For additional detail and wire transfer instructions, go to <https://www.fcc.gov/licensing-databases/fees/wire-transfer>.
- Payment by credit card must be made by using the Commission's Fee Filer website at <https://apps.fcc.gov/FeeFiler/login.cfm>. To pay by credit card, log-in using the FRN captioned above. If payment must be split across FRNs, complete this process for each FRN. Next, select "Pay bills" on the Fee Filer Menu, and select the bill number associated with the Account – the bill number is the Account number with the first two digits excluded – and then choose the "Pay by Credit Card" option. There is a \$24,999.99-dollar limitation on credit card transactions.
- Payment by ACH must be made by using the Commission's Fee Filer website at <https://apps.fcc.gov/FeeFiler/login.cfm>. To pay by ACH, log in using the FRN captioned above. If payment must be split across FRNs, complete this process for each FRN. Next, select "Pay bills" on the Fee Filer Menu and then select the bill number associated to the Account – the bill number is the Account number with the first two digits excluded – and choose the "Pay from Bank Account" option. Please contact the appropriate financial institution to confirm the correct Routing Number and the correct account number from which payment will be made and verify with that financial institution that the designated account has authorization to accept ACH transactions.

21. **Event of Default.** The Company agrees that an Event of Default shall occur upon its failure to pay the full amount as described in Paragraph 20 by the due date specified in this Consent Decree.

22. **Interest Charges for Collection, and Acceleration of Maturity Date.** After an Event of Default has occurred under this Consent Decree, the then unpaid amount of the civil penalty shall accrue interest, computed using the U.S. Prime Rate in effect on the date of the Event of Default, plus 4.75 %, from the date of the Event of Default until payment in full. Upon an Event of Default, the then unpaid amount of the civil penalty, together with interest, any penalties permitted and/or required by the law, including but not limited to 31 U.S.C. § 3717 and administrative charges, plus the costs of collection,

²⁷ Payments made using the Commission's Fee Filer system do not require the submission of an FCC Form 159.

²⁸ For questions regarding payment procedures, please contact the Financial Operations Group Help Desk by phone at 1-877-480-3201 (option #6), or by e-mail at ARINQUIRIES@fcc.gov.

²⁹ Instructions for completing the form may be obtained at <http://www.fcc.gov/Forms/Form159/159.pdf>.

litigation, and attorneys' fees, shall become immediately due and payable, without notice, presentment, demand, protest, or notice of protest of any kind, all of which are waived by the Company.

23. **Waivers.** As of the Effective Date, the Company waives any and all rights it may have to seek administrative or judicial reconsideration, review, appeal, or stay, or to otherwise challenge or contest the validity of this Consent Decree and the Adopting Order. The Company shall retain the right to challenge Commission interpretation of the Consent Decree or any terms contained herein. If either Party (or the United States on behalf of the Commission) brings a judicial action to enforce the terms of the Consent Decree or Adopting Order, neither the Company nor the Commission shall contest the validity of the Consent Decree or the Adopting Order, and the Company shall waive any statutory right to a trial *de novo*. The Company hereby agrees to waive any claims it may have under the Equal Access to Justice Act³⁰ relating to the matters addressed in this Consent Decree.

24. **Severability.** The Parties agree that if any of the provisions of the Consent Decree shall be held unenforceable by any court of competent jurisdiction, such unenforceability shall not render unenforceable the entire Consent Decree, but rather the entire Consent Decree shall be construed as if not containing the particular unenforceable provision or provisions, and the rights and obligations of the Parties shall be construed and enforced accordingly.

25. **Invalidity.** In the event that this Consent Decree in its entirety is rendered invalid by any court of competent jurisdiction, it shall become null and void and may not be used in any manner in any legal proceeding.

26. **Subsequent Rule or Order.** The Parties agree that if any provision of this Consent Decree conflicts with any subsequent rule or order adopted by the Commission (except an order specifically intended to revise the terms of this Consent Decree to which the Company does not expressly consent) that provision will be superseded by such rule or order.

27. **Successors and Assigns.** This Consent Decree shall be binding upon the Company's assigns, successors, and transferees.

28. **Final Settlement.** The Parties agree and acknowledge that this Consent Decree shall constitute a final settlement between the Parties with respect to the Investigation.

29. **Modifications.** This Consent Decree cannot be modified without the advance written consent of both Parties.

30. **Paragraph Headings.** The headings of the paragraphs in this Consent Decree are inserted for convenience only and are not intended to affect the meaning or interpretation of this Consent Decree.

31. **Authorized Representative.** Each Party represents and warrants to the other that it has full power and authority to enter into this Consent Decree. Each person signing this Consent Decree on behalf of a Party hereby represents that he or she is fully authorized by the Party to execute this Consent Decree and to bind the Party to its terms and conditions.

³⁰ See 5 U.S.C. § 504; 47 CFR §§ 1.1501-1.1530.

32. **Counterparts.** This Consent Decree may be signed in counterpart (including electronically or by facsimile). Each counterpart, when executed and delivered, shall be an original, and all of the counterparts together shall constitute one and the same fully executed instrument.

Rosemary C. Harold
Chief
Enforcement Bureau

Date

Eric Hession
Executive Vice President and Chief Financial Officer
Caesars Entertainment Corporation

Date