

BARGAINING UPDATE

To: All Caesars Dealers

From: Frank Muscolina

Date: September 8, 2009

The parties met on September 1, 2009 to continue their efforts at reaching agreement on a first collective bargaining agreement on behalf of CAC dealers and Keno/Simulcast employees. This session, like many previous ones, was spent on issues related to the economy, not on any substantive provision of a collective bargaining agreement. In this case, the parties discussed seasonal changes to the bargaining unit work force as the summer winds down.

In an effort to limit the number of seasonal employees to be laid off, CAC proposed keeping a total of 20 seasonal Table Games dealers as regular part time Table Games dealers, all of whom were previously employed as regular part time dealers. In addition, CAC offered to promote 5 regular part time Table Games dealers to a full time dealer position. In addition, CAC proposed to retain two seasonal Poker dealers and to transfer two Table Games dealers, who had previously sought transfer, to Poker dealer positions. In total, the Company offered to retain 22 seasonal dealers and to promote 5 regular part time dealers to full time positions.

The UAW did not agree to this proposal.

Instead, the Union insisted that the number of seasonal dealers who are to be retained be equal to the number of regular part time dealers who are to be promoted to full time status. Since CAC has a need for only an additional 5 full time dealers, this would limit the number of seasonal dealers to be retained to 5, rather than the 22 requested by the Company. The parties agreed to discuss this issue again at the next bargaining session. Although the Company also offered to reduce the number of Keno/Simulcast employees to be laid off from two to one, this proposal was also deferred until the next bargaining session, which is scheduled for September 23, 2009.

As always, if you have any questions regarding contract negotiations, please contact me or Table Games management.