IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

MARK GLENNON, Plaintiff, v. BRANDON JOHNSON, *in his official capacity as Mayor of Chicago*; MELISSA CONYEARS-ERVIN, *in her official capacity as Chicago City Treasurer*; CITY OF CHICAGO; CHARLES SCHMADEKE, SEAN BRANNON, STEPHEN FERRARA, and DIONNE HAYDEN, *in their official capacity as Chairman and Members of the Illinois Gaming Board*; BALLY'S CHICAGO INC.; BALLY'S CHICAGO OPERATING COMPANY, LLC; and BALLY'S CORPORATION, Defendants.	Case No. 1:25-cv-1057 Plaintiff's Emergency Motion for Preliminary Injunction and Temporary Restraining Order

Plaintiff Mark Glennon submits this Emergency Motion for a Temporary Restraining Order and Preliminary Injunction, pursuant to Fed. R. Civ. P. 65(a) and Local Rule 5.3, against Defendants. For the reasons set forth in more detail in the Memorandum filed in support of this motion, Plaintiff moves the court to enjoin this racially discriminatory Initial Public Offering while this case proceeds to the merits. As the Initial Public Offering is scheduled to distribute shares on a racially discriminatory basis on February 7, 2025, Plaintiff humbly asks that the court make at least an initial decision regarding whether to enjoin that racially discriminatory distribution of shares before February 7.

Plaintiff is available for a hearing at the Court's convenience.[1] Plaintiff suggests that hearing be conducted by phone on this timeline, but can appear in person if the Court prefers. Plaintiff's counsel is currently working to provide notice of this Motion to counsel for Defendants, and will be proving that notice as promptly as Plaintiff can identify appropriate counsel, or another appropriate agent, for each Defendant. Plaintiffs refer the court to the Memorandum for most substantive discussions, but below articulate a summary of the circumstances supporting Plaintiff's requested relief.

1. In 2022, the City of Chicago ("City") and Bally's Chicago Operating Company, LLC ("Bally's") entered into a Host Community Agreement ("Agreement"). The Agreement requires that Bally's discriminate on the basis of sex and race in all facets of the Bally's casino project from initial construction, to vendor selection, employee recruitment and hiring, Board composition, and ownership of the casino project. To meet the Agreement's

[1] Cognizant of this Court's admonition that "Requests to set a hearing on an emergency motion shall be made to the courtroom deputy with as much advance notice as possible," Counsel for Plaintiff attempted to contact the Court's deputy by phone ahead of filing this motion, and left a voicemail, but has not yet been able to complete that communication.

25% minority ownership requirement, Bally's has put forth an Initial Public Offering ("IPO") which can only be purchased by individuals who meet the "Qualification Criteria" set by the City. This requires that the purchaser be either a woman or a minority, as defined by the City of Chicago.

2. Plaintiff Mark Glennon attempted to participate in the Bally's IPO but was excluded because he is a white male. He challenges the constitutionality of the minority preference in the Qualification Criteria, set by the Agreement and defined by the Municipal Code of Chicago, which excludes him from participating in the Bally's IPO and has brought an action for declaratory and injunctive relief to vindicate his right to the equal protection of the law.
3. Absent an injunction, Bally's plans to allocate and distribute IPO shares sometime between by February 7, 2025. After the shares are distributed there will be no secondary market to purchase the shares as they will not be listed on any national securities exchange or any other stock exchange, regulated trading facility or automated dealer quotation system. Transferability restrictions also require that the shares are only transferred to "Permitted Transferees" who meet the same minority qualifications as the initial purchasers of the IPO.
4. Emergency relief is warranted to pause the distribution of IPO shares during the pendency of this litigation. Plaintiff is likely to succeed on the merits, will suffer irreparable harm absent an injunction, and the balance of equities and public interest favor granting the requested emergency relief.
5. The Court should exercise its discretion and waive the bond requirement under Fed. R. Civ. P. 65(c).

Request for Relief

WHEREFORE, Plaintiff respectfully requests that the Court issue a temporary restraining order and preliminary injunction ordering Defendants to pause the distribution of IPO shares pending the outcome of this case.

Dated: January 31, 2025

Respectfully submitted,

Mark Glennon

By: Reilly Stephens
One of his Attorneys

Reilly Stephens
Bridget Conlan (IL Bar No. 6348769)
Liberty Justice Center
7500 Rialto Blvd., Suite 1-250
Austin, TX 78735
(512) 481-4400
rstephens@ljc.org
bconlan@ljc.org

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

MARK GLENNON, Plaintiff, v. BRANDON JOHNSON, *in his official capacity as Mayor of Chicago*; MELISSA CONYEARS-ERVIN, *in her official capacity as Chicago City Treasurer*; CITY OF CHICAGO; CHARLES SCHMADEKE, SEAN BRANNON, STEPHEN FERRARA, and DIONNE HAYDEN, *in their official capacity as Chairman and Members of the Illinois Gaming Board*; BALLY'S CHICAGO INC.; BALLY'S CHICAGO OPERATING COMPANY, LLC; and BALLY'S CORPORATION, Defendants.	Case No. 1:25-cv-1057 Plaintiff's Memorandum of Law in Support of Emergency Motion for Preliminary Injunction and Temporary Restraining Order

Reilly Stephens
Bridget Conlan
LIBERTY JUSTICE CENTER
7500 Rialto Blvd., Suite 1-250
Austin, TX 78735
(512) 481-4400
rstephens@ljc.org
bconlan@ljc.org
Counsel for Plaintiff

Introduction

Plaintiff Mark Glennon submits this Memorandum in support of his Emergency Motion for a Temporary Restraining Order, asking this Court to enjoin the Initial Public Offering of Bally's Chicago Inc., whose S-1 filing is attached to this Motion as **Exhibit A**, participation in which is restricted, at the behest of the City of Chicago, to members of approved races and gender identities, and which is set to distribute on February 7, 2025.

In 2022, the City of Chicago ("City") and Bally's Chicago Operating Company, LLC ("Bally's") entered into a Host Community Agreement ("Agreement"), attached to this motion as **Exhibit B**. The Agreement requires that Bally's discriminate on the basis of sex and racial classification in all facets of the casino project, from initial construction, to vendor selection, employee recruitment and hiring, Board composition, and ownership of the casino project. To meet the Agreement's 25% minority ownership requirement, Bally's has put forth an Initial Public Offering ("IPO") which can only be purchased by individuals who meet the "Qualification Criteria" set by the City. This requires that the purchaser be either a woman or a minority, as defined by the City of Chicago.

Plaintiff Mark Glennon attempted to participate in the Bally's IPO but was excluded because he is a white male. He challenges the constitutionality of the minority preference in the Qualification Criteria, set by the Agreement and defined by the Municipal Code of Chicago, which excludes him from participating in the Bally's IPO and has brought an action for declaratory and injunctive relief to vindicate his right to the equal protection of the law.

Facts

In 2021, the City of Chicago began soliciting proposals to compete for the right to develop the first integrated casino resort in the City, pursuant to the Illinois Gambling Act, 230 ILCS

10/1 et seq., which authorizes the City to issue a single casino owner's license.[1] Five proposals were received and three finalists were chosen: The Hard Rock, Rivers, and Bally's. Those three bids were analyzed by the Chicago City Council casino committee (chaired Aldpeople Thomas Tunney and Jason Ervin) who recommended a selection to then-Mayor Lori Lightfoot, who then chose a bid.[2] In the summer of 2022, Bally's Corporation was ultimately selected by the Mayor to open a casino on the site of the Tribune Publishing Center in the River West neighborhood. While all the bids attempted to placate the City's discriminatory policy objectives, Bally's went above and beyond to ensure it would satisfy the City's demands.

Defendants negotiated a comprehensive Host Community Agreement to memorialize the agreed upon terms. *See* **Exhibit B**. The Agreement was then evaluated by an Alderman special committee, as well as the entire City Council, before receiving their final approval. The formal development process could not begin until receiving approval from the City Council and approval for a casino license from the Illinois Gaming Board.[3]

The City, enforcing the requirements of the Illinois Gambling Act 230 ILCS 10/1 et seq., conditioned project approval on the inclusion of various "minority preferences" in the Host Community Agreement. These demands did not and do not claim to remedy any particular past discrimination. The Agreement requires discrimination on the basis of sex and racial classification in all facets of the casino project. For example, Bally's is required to discriminate in sourcing with a preference for Minority owned businesses ("MBE") and Women-owned businesses

[1] CBS News, Lightfoot's Office Unveils Five Bids For A Chicago Casino; Public Meeting on Proposals Set for Dec. 16, November 19, 2021, https://www.cbsnews.com/chicago/news/chicago-casino-proposals-mayor-lori-lightfoot-ballys-hard-rock-rivers-rush-street-gaming/

[2] Hermene Hartman, Casino in Chicago: Here's What You Need to Know About the 3 Proposed Sites, The Triibe, April 28, 2022, https://thetriibe.com/2022/04/casino-in-chicago-here-is-what-you-need-to-know-about-the-3-proposed-sites/

[3] NBC 5 Chicago, Bally's River West Wins Chicago Casino Bid, Here's What We Know and What Happens Next, May 5, 2022, https://www.nbcchicago.com/news/local/ballys-river-west-wins-chicago-casino-bid-heres-what-we-know-and-what-happens-next/2824938/

("WBE") and must hire a "Diversity, Equity and Inclusion expert in sourcing, monitoring, compliance and contracting MBE, WBE, VBE and BEPD vendors[.]" See **Exhibit B** at 066-069. Through the Agreement the City requires Bally's to engage in race- and sex-based discrimination in workforce recruiting and hiring, including promises that Bally's "will take commercially reasonable efforts to maintain a target goal of hiring 60% Minorities for operation of the Casino[.]" **Exhibit B** at 074; *see also* 084. Through the Agreement the City also requires that "40% of seats on the Board will be reserved for Minorities, no later than twelve months following commencement of the Term or such later date as may be determined by the City to allow for Illinois Gaming Board approval, which commitment will continue for the life of the agreement." **Exhibit B** at 115.

Most relevant here, the Agreement also requires that

> 25% of the Project equity will be owned by Minority individuals and Minority-Owned and Controlled Businesses no later than twelve months following commencement of the Term or such later date as may be determined by the City, and will continue for no less than five years thereafter. Additionally, Developer shall provide commercially reasonable efforts to locate qualified Minority individuals or Minority-Owned and Controlled Businesses who wish to buy an interest in Developer in an effort to assist any Minority individuals or Minority-Owned and Controlled Businesses who may wish to sell their interest in Developer.

Exhibit B, 115.

For purposes of the ownership provision of the Agreement, the term "Minority" "means an individual considered to be a minority pursuant to MCC 2-92-670(n), 'Definitions: Minority,' as it may be amended from time to time, or a 'woman' as defined in the Act. This includes, but is not limited to: African-Americans, Hispanics, Asian-Americans, and American Indians, as defined by that ordinance." *Id*.

To meet the 25% minority ownership requirement imposed by the Agreement, Bally's has registered an Initial Public Offering ("IPO") with the Securities and Exchange Commission

("SEC") of 10,000 shares. Despite its use of the term "public offering," this offer is only available to investors who meet the "minority" definition imposed by the City through the Agreement, also called "Class A Qualification Criteria" in the associated S-1 filing for the registered securities offering, described as follows:

> The Class A Qualification Criteria include, among other criteria, that the person:
> - If an individual, must be a women;
> - If an individual, must be a Minority as defined by MCC 2-92-670(n)(see below); or
> - If an entity must be controlled by women or Minorities.
>
>   MCC 2-92-670(n), in turn defines Minority as:
> - Any individual in the following racial or ethnic groups:
>   - African-Americans or Blacks (including persons having origins in any of the Black racial groups of Africa);
>   - American Indians (including persons having origins in any of the original peoples of North and South America (including Central America) and who maintain tribal affiliation or community attachment);
>   - Asian-Americans (including persons whose origins are in any of the original peoples of the Far East, Southeast Asia, the islands of the Pacific or the Northern Marianas or the Indian Subcontinent);
>   - Hispanics (including persons of Spanish culture with origins in Mexico, South or Central America or the Caribbean Islands, regardless of race); and
> - Individual members of other groups, including but not limited to Arab-Americans, found by the City of Chicago to be socially disadvantaged by having suffered racial or ethnic prejudice or cultural bias within American society, without regard to individual qualities, resulting in decreased opportunities to compete in Chicago area markets or to do business with the City of Chicago. Qualification under this clause is determined on a case-by-case basis and there is no exhaustive or definitive list of groups or individuals that the City of Chicago has determined to qualify as Minority under this clause. However, in the event the City of Chicago identifies any additional groups or individuals as falling under this clause in the future, members of such groups would satisfy the Class A Qualification Criteria.
>
>   If there are any changes to the groups included in MCC 2-92-670(n), and consequently to the Class A Qualification Criteria, prior to the closing of this offering, we will communicate such changes by filing an amendment to this prospectus with the Securities and Exchange Commission (the "SEC"). **Exhibit A** at 009.

Not only does the IPO limit participation to only those who meet the minority criteria, but it also offers subsidized shares to applicants who meet the minority criteria. The applicant can pay

as little as $250 for a share valued at $25,000, with the difference subsidized by a non-recourse loan from Bally's. **Exhibit A** at 009.

The application to participate in the IPO explicitly requires applicants to certify that they meet the "Class A Qualification Criteria" "pursuant to the Host Community Agreement as agreed with the City of Chicago." *See* Compl. ¶ 31. The Qualification Criteria requires that a purchaser must be a minority, woman, or an entity majority-owned by minority persons or women. Those who do not meet the Qualification Criteria cannot purchase shares. On January 24, 2025, Plaintiff Mark Glennon applied to participate in the Bally's IPO and was not permitted to apply to participate solely because he does not identify as a minority or a woman.

Standard of Review

The purpose of emergency injunctive relief is "to minimize the hardship to the parties pending the ultimate resolution of the lawsuit." *Platinum Home Mortg. Corp. v. Platinum Fin. Group, Inc.*, 149 F.3d 722, 726 (7th Cir. 1998) (citing *Faheem-El v. Klincar*, 841 F.2d 712, 717 (7th Cir. 1988)). "The standards for a temporary restraining order and the standards for a preliminary injunction are identical." *Charter Nat'l Bank & Tr. v. Charter One Fin., Inc.*, No. 01 C 0905, 2001 U.S. Dist. LEXIS 6531, at *3 (N.D. Ill. May 15, 2001).

Plaintiffs are entitled to preliminary relief where (1) they will otherwise suffer irreparable harm; (2) traditional legal remedies are inadequate; and (3) there is at least some likelihood of success on the merits. *HH-Indianapolis, LLC v. Consol. City of Indianapolis,* 889 F.3d 432, 437 (7th Cir. 2018). If a plaintiff makes such a showing, the court proceeds to a balancing analysis, weighing the harm a denial of the preliminary injunction would cause the plaintiff against the

harm of a grant to the defendant. *Mays v. Dart,* 974 F.3d 810, 818 (7th Cir. 2020). This is a sliding scale approach: the more likely the plaintiff is to win on the merits, the less the balance of harms needs to weigh in his favor, and vice versa. *Id*.

Argument

I. Plaintiff is likely to succeed on the merits.

Plaintiff is likely to succeed on the merits of his claim that Defendants are unconstitutionally discriminating on the basis of race and sex by excluding him from participation in the Bally's IPO simply because he is white and male.

"The Equal Protection Clause of the Fourteenth Amendment protects individuals from governmental discrimination. The typical equal protection case involves discrimination by race, national origin or sex." *Swanson v. City of Chetek*, 719 F.3d 780, 783 (7th Cir. 2013). The Fourteenth Amendment prohibits municipalities from discriminating on the basis of race or ethnicity. *See McNamara v. City of Chi.*, 959 F. Supp. 870, 872 (N.D. Ill. 1997).

Defendants deprive Plaintiff of his Fourteenth Amendment right against discrimination on the basis of sex and race by requiring that participation in the Bally's IPO is limited only to women or racial minorities as defined by the Municipal Code of Chicago. The requirements of the Agreement operate to specifically exclude white males from ownership participation in the only casino project in the City.

The discriminatory requirements of the Agreement are imposed by the City of Chicago, a government actor. In implementing the Agreement, depriving Plaintiff of his Fourteenth Amendment rights, Defendants and their agents are acting under color of state law. In the Agreement, the definition of "minority" is set by the Municipal Code of Chicago, MCC 2-92-670 (n), and the definition of "woman" is determined by MCC 2-92-680(v). The race and sex quotas Bally's

agreed to were set by the City—indeed, the 25% non-white ownership requirement is an aspiration imposed by state law—the Illinois Gambling Act required bids to attempt to meet it. And the City requires that Bally's enforce the discriminatory provisions of the Agreement under threat of severe monetary penalty. Failure to enforce the discriminatory provisions would constitute an Event of Default by Bally's, entitling the City to terminate the Agreement despite the significant financial investment already made by Bally's.

Where Bally's acts to implement the discriminatory provisions of the Agreement, it is a state actor. Private action can become state action when "private actors conspire or are jointly engaged with state actors to deprive a person of constitutional rights; where the state compels the discriminatory action; when the state controls a nominally private entity; when it is entwined with its management or control; when the state delegates a public function to a private entity; or when there is such a close nexus between the state and the challenged action that seemingly private behavior reasonably may be treated as that of the state itself." *Genova v. Kellogg*, No. 12 C 3105, 2015 U.S. Dist. LEXIS 82770, at *10 (N.D. Ill. June 25, 2015) (citing *Hallinan v. Fraternal Order of Police of Chicago Lodge No. 7*, 570 F.3d 811, 815-16 (7th Cir. 2009). Through the Agreement imposed by the City, Bally's is being compelled by the government to discriminate to fulfill the government's discriminatory policy goals, and their actions are inextricably intertwined with those government policies.

The Supreme Court has held that "*all* racial classifications [imposed by government] . . . must be analyzed by a reviewing court under strict scrutiny." *Johnson v. California*, 543 U.S. 499, 505, 125 S. Ct. 1141, 1146 (2005) (citing *Adarand Constructors, Inc. v. Pena*, 515 U.S. 200, 227, 132 L. Ed. 2d 158, 115 S. Ct. 2097 (1995)).

"Under strict scrutiny, the government has the burden of proving that racial classifications 'are narrowly tailored measures that further compelling governmental interests.' We have insisted on strict scrutiny in every context, even for so-called 'benign' racial classifications, such as race-conscious university admissions policies, race-based preferences in government contracts, and race-based districting intended to improve minority representation." *Johnson v. California*, 543 U.S. 499, 505 (2005) (internal citations omitted).

The race-based preference imposed by the Agreement is not narrowly tailored to further a compelling government interest. When the government creates race-based policies to remedy racial discrimination, it must only do so "informed by data that suggest intentional discrimination." *Vitolo v. Guzman*, 999 F.3d 353, 361 (6th Cir. 2021). Broad disparities "are not nearly enough." *Id.* The fact that there may be a history of social disadvantage for one or more groups does not justify resort to racial classification. "[W]hen a legislative body chooses to employ a suspect classification, it cannot rest upon a generalized assertion as to the classification's relevance to its goals. A governmental actor cannot render race a legitimate proxy for a particular condition merely by declaring that the condition exists." *City of Richmond v. J.A. Croson Co*., 488 U.S. 469, 500-501 (1989) (citing *McLaughlin v. Florida*, 379 U.S. 184, 190-193 (1964)).

Creating new forms of discrimination to remedy old ones is not a solution to past racism. Rather, "[t]he way to stop discrimination on the basis of race is to stop discriminating on the basis of race." *Parents Involved in Community Schools v. Seattle School District No. 1,* 551 U.S. 701, 748 (2007). "Racial classifications are antithetical to the Fourteenth Amendment, whose 'central purpose' was 'to eliminate racial discrimination emanating from official sources in the States.'" *Shaw v. Hunt*, 517 U.S. 899, 907 (1996) (quoting *McLaughlin v. Florida*, 379 U.S. 184, 192 (1964)). "Distinctions between citizens solely because of their ancestry are by their very nature

odious to a free people." *Rice v. Cayetano,* 528 U.S. 495, 517 (2000) (quoting *Hirabayashi v. United States*, 320 U.S. 81, 100 (1943)).

"A law that grants preferential treatment on the basis of race or ethnicity does not deny the equal protection of the laws if it is (1) a remedy for (2) intentional discrimination committed by (3) the public entity that is according the preferential treatment . . . and (4) discriminates no more than is necessary to accomplish the remedial purpose." *Builders Ass'n of Greater Chi. v. Cty. of Cook*, 256 F.3d 642, 644 (7th Cir. 2001). The Seventh Circuit used this framework to analyze a Cook County ordinance that required a minimum of 30% of the total value of any County construction contract be awarded to Minority- and Women-Owned Businesses, ultimately striking down the discriminatory ordinance as a denial of equal protection. *Id*.

There, as here, the government had no credible evidence that it had intentionally discriminated against the groups favored by the program, nor credible evidence that the County had been complicit in private discrimination against the favored groups. *Id*. And, as the Court pointed out in that case "if the County *had* been complicit in discrimination by prime contractors, still it would be odd to try to remedy that discrimination by requiring discrimination in favor of minority *stockholders,* as distinct from employees. That is a standard feature of minority set-aside programs, but a puzzling one in terms of the stated objectives of such programs." *Id*. There, as here, the proposed remedy was not appropriately tailored to satisfy the stringent requirements necessary to justify a race-based classification. As Judge Posner explained,

> A state or local government that has discriminated just against blacks may not by way of remedy discriminate in favor of blacks *and* Asian-Americans *and* women. *City of Richmond v. J.A. Croson Co., supra,* 488 U.S. at 506; *Associated General Contractors of Ohio, Inc. v. Drabik, supra,* 214 F.3d at 737; *Monterey Mechanical Co. v. Wilson,* 125 F.3d 702, 714-15 (9th Cir. 1997). Nor may it discriminate more than is necessary to cure the effects of the earlier discrimination. *Majeske v. City of Chicago,* 218 F.3d 816, 820, 823 (7th Cir. 2000); *McNamara v. City of Chicago, supra,* 138 F.3d at 1222-23. Nor may it continue the remedy in force indefinitely, with

> no effort to determine whether, the remedial purpose attained, continued enforcement of the remedy would be a gratuitous discrimination against non-minority persons. *Chicago Firefighters Local 2 v. City of Chicago, supra,* 249 F.3d at 654-55; *Danskine v. Miami Dade Fire Dept.,* 253 F.3d 1288, 2001 WL 649502, at *12-13 (11th Cir. 2001); *Boston Police Superior Officers Federation v. City of Boston,* 147 F.3d 13, 24-25 (1st Cir. 1998); *Middleton v. City of Flint,* 92 F.3d 396, 411-12 (6th Cir. 1996). All three points are closely related (the second and third particularly so, as we'll see). They amount to a requirement of a close match between the evil against which the remedy is directed and the terms of the remedy. As the cases say, the remedy must be "narrowly tailored" to the wrong that it seeks to correct.

Builders Ass'n of Greater Chi. v. Cty. of Cook, 256 F.3d 642, 646 (7th Cir. 2001).

The Host Community Agreement relies on invidious racial classifications that discriminate against applicant investors on the basis of race. Defendants do not have any compelling government interest in Defendant Bally's discriminating among potential investors on the basis of their race. The government Defendants have not established that the program is narrowly tailored to target a specific episode of past or present discrimination. The program as administered allows affluent minority or female individuals, even those who reside in other states, to invest while excluding low-income white males residing in the Chicagoland area—indeed, all white males, of any income. This program appears to lack even the afterthought of narrow tailoring and simply cannot withstand strict scrutiny.

In addition to the race-based classification, which must be scrutinized under strict scrutiny, Defendants impose a sex-based classification under the terms of the Agreement. Although there is some debate over the appropriate level of scrutiny to be applied in sex-based classifications, *see id*. at 644 ("Another unresolved issue is whether a different, and specifically a more permissive, standard is applicable to preferential treatment on the basis of sex rather than race or ethnicity"), the Supreme Court has said that "for cases of official classification based on gender" "the reviewing court must determine whether the proffered justification is 'exceedingly persuasive.'"

United States v. Virginia, 518 U.S. 515, 532-33 (1996). The Supreme Court "has carefully inspected official action that closes a door or denies opportunity to women (or to men)." *Id*. "The State must show 'at least that the [challenged] classification serves 'important governmental objectives and that the discriminatory means employed' are 'substantially related to the achievement of those objectives.''" *Id*. (citations omitted). "The justification must be genuine, not hypothesized or invented *post hoc* in response to litigation. And it must not rely on overbroad generalizations about the different talents, capacities, or preferences of males and females." *Id*.

Defendants cannot demonstrate that discriminating on the basis of sex in ownership preference for this casino project is substantially related to achieving an important governmental interest. MCC 2-92-680(v) defines "woman" as "a person of the female gender, who is presumed to be socially disadvantaged." Such presumptions are inappropriate as overbroad generalizations about the capacities of males and females.

Defendants cannot show an "exceedingly persuasive justification" for excluding men, operatively only white men, from the Bally's IPO while permitting investment by white women residing in other states who may have never had any interaction with the City of Chicago at all. There is no "close match" between this so-called remedy and any particular past harm perpetrated by the City against the favored individuals.

Further, an appropriate alternative remedy must "provide equal opportunity." *See United States v. Virginia*, 518 U.S. at 534. Bally's is the only casino project in Chicago, and therefore there is no equal alternative for individuals like Plaintiff to participate as an investor.

Defendants cannot demonstrate that excluding only white men from ownership is substantially related to achieving an important government interest. The Qualification Criteria imposed by the City allows affluent white women in Texas or Florida to participate in Bally's IPO while

excluding low-income white men in Chicago; there is no important government interest accomplished by bringing about this state of affairs. Therefore, Plaintiff is likely to succeed on the merits of his claims related to sex and race-based discrimination.

II. Without a preliminary injunction, Plaintiff will suffer irreparable harm and does not have an adequate remedy at law.

Unless enjoined, Defendants plan to move forward with distributing the IPO shares to their "qualified" applicants on February 7, 2025. Defendants' exclusion of Plaintiff from IPO participation based on his sex and race violates Plaintiff's constitutional rights, which alone constitutes manifest, irreparable harm. *Mills v. District of Columbia*, 571 F.3d 1304, 1312 (D.C. Cir. 2009) ("It has long been established that the loss of constitutional freedoms, 'for even minimal periods of time, unquestionably constitutes irreparable injury.'" (quoting *Elrod v. Burns*, 427 U.S. 347, 373 (1976))). Absent an injunction, Plaintiff will be excluded from participation in the IPO, and he will be unable to participate in ownership by purchasing shares on a secondary market because shares will not be "listed on any national securities exchange or on any other stock exchange, regulated trading facility or automated dealer quotation system in the United States or internationally." Transferability restrictions also require that the interests are only transferred to "Permitted Transferees" who meet the same minority qualifications as the initial purchasers of the IPO. Therefore, an injunction is necessary to halt the allocation and distribution of IPO interests under unconstitutionally exclusionary race and sex-based criteria. Absent an injunction, Plaintiff will retain no adequate remedy at law.

III. The balance of equities and public interest favor a preliminary injunction.

The public interest always favors the protection of constitutional rights—and the balance of equities here clearly favors injunctive relief. Plaintiff's requested injunction asks that this Court

order that Defendants be enjoined from moving forward with the final allocation and distribution of IPO shares until it can be determined whether the exclusionary criteria under which they plan to allocate and distribute the interests is permissible. Plaintiff simply asks that, as this case is litigated, Defendants pause the distribution of the IPO shares. Defendants have already collected the information of interested investors, and February 7 is merely a projected date for allocation and distribution among the applicants. It is also unknown whether Defendants received sufficient applications for the IPO to be fully subscribed. Additionally, the provisions of the Agreement give Defendants twelve months to achieve 25% minority ownership, demonstrating that it is not urgent for Defendants to distribute the shares to investors.

If the IPO goes forward while this case is litigated, Plaintiff will be excluded from the investor class, all but permanently, due to the aforementioned limits on secondary markets and transferability. And this is the only casino project in Chicago, so there is no equivalent alternative for Plaintiff to invest in.

As previously discussed, Plaintiff is likely to win on the merits of his claims that the Agreement imposes unconstitutional race and sex-based discrimination; government officials are not harmed by the issuance of a preliminary injunction which prevents the state from implementing a likely unconstitutional practice. *See Joelner v. Vill. of Wash. Park*, 378 F.3d 615, 620 (7th Cir. 2004) (government could suffer "no irreparable harm" from being "prevented from enforcing an unconstitutional statute"); *see also Centro Tepeyac v. Montgomery Cty.*, 722 F.3d 184, 191 (4th Cir. 2013) ("[A] state is in no way harmed by issuance of a preliminary injunction which prevents [it] from enforcing restrictions likely to be found unconstitutional."); *Rodriguez v. Robbins*, 715 F.3d 1127, 1145 (9th Cir. 2013) (government "cannot suffer harm from an injunction that merely ends an unlawful practice").

CONCLUSION

For the foregoing reasons, Plaintiff respectfully requests that the Court grant the motion for Temporary Restraining Order and enjoin Defendants from completing the discriminatory IPO.

Dated: January 31, 2025

Respectfully submitted,

Mark Glennon

By: Reilly Stephens
One of his Attorneys

Reilly Stephens
Bridget Conlan (IL Bar 6348769)
Liberty Justice Center
7500 Rialto Blvd., Suite 1-250
Austin, TX 78735
(512) 481-4400
rstephens@ljc.org
bconlan@ljc.org

Exhibit A

S-1/A 1 tm2310971-24_s1a.htm S-1/A
TABLE OF CONTENTS

As filed with the Securities and Exchange Commission on January 29, 2025

Registration No. 333-283772

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 4 TO

FORM S-1

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Bally's Chicago, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**7011**	**88-2870098**
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

100 Westminster Street
Providence, RI 02903
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Ameet Patel
640 N LaSalle, Suite 460
Chicago, IL 60654
(401) 475-8474
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Sony Ben-Moshe, Esq.
Senet Bischoff, Esq.
John Slater, Esq.
Latham & Watkins LLP
1271 Avenue of the Americas
New York, NY 10020
(212) 906-1200

Oscar David, Esq.
Timothy Kincaid, Esq.
Michael Blankenship, Esq.
Winston & Strawn LLP
35 W. Wacker Drive
Chicago, IL 60601
(312) 558-5600

Approximate date of commencement of proposed sale to the public:
As soon as practicable after this Registration Statement is declared effective**.**

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for

complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☒

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the U.S. Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information contained in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JANUARY 29, 2025

PRELIMINARY PROSPECTUS

$195,125,000
Bally's Chicago, Inc.

500 Class A-1 Interests at $250 per share, with a par value of $0.001 per share
1,000 Class A-2 Interests at $2,500 per share, with a par value of $0.001 per share
1,000 Class A-3 Interests at $5,000 per share, with a par value of $0.001 per share
7,500 Class A-4 Interests at $25,000 per share, with a par value of $0.001 per share

This is the initial public offering of Bally's Chicago, Inc., a Delaware corporation and indirect subsidiary of Bally's Corporation, a Delaware corporation. Unless the context otherwise requires, the terms "the Company," "we," "us" or "our" in this prospectus refer to Bally's Chicago, Inc. and its wholly-owned, consolidated subsidiaries, including Bally's Chicago Operating Company, LLC, a Delaware limited liability company ("Bally's Chicago OpCo"), and the terms "Bally's Corporation" or "Bally's" refer to Bally's Corporation.

We are offering on a best efforts basis up to 10,000 in aggregate Class A Interests, allocated among 500 shares of Class A-1 common stock (the "Class A-1 Interests") at $250 per share, 1,000 shares of Class A-2 common stock (the "Class A-2 Interests") at $2,500 per share, 1,000 shares of Class A-3 common stock (the "Class A-3 Interests") at $5,000 per share and 7,500 shares of Class A-4 common stock (the "Class A-4 Interests" and, together with the Class A-1 Interests, the Class A-2 Interests and the Class A-3 Interests, the "Class A Interests") at $25,000 per share of Bally's Chicago, Inc. The Company has not made any arrangements to place the proceeds from this offering in an escrow or trust account. There are no minimum purchase requirements for each investor. There is no minimum number of Class A Interests to be sold or minimum aggregate offering proceeds for this offering to close.

Certain investors (the "private placement investors") have entered into agreements with us pursuant to which they have agreed to purchase Class A-1 Interests, Class A-2 Interests, Class A-3 Interests and Class A-4 Interests, respectively, in a private placement (the "concurrent private placements") at a price per share equal to the initial public offering. The concurrent private placements are being made pursuant to Rule 506(c) under Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act"). Each private placement investor has represented to us in writing that such private placement investor qualified as an "Accredited Investor" as such term is defined by Regulation D promulgated under the Securities Act, and has provided us with additional documentation to assist us in verifying such private placement investor's status as an Accredited Investor. Our agreements with the private placement investors are contingent upon, and are scheduled to close immediately subsequent to, the closing of this offering as well as the satisfaction of certain conditions to closing as further described in "*Concurrent Private Placements*."

Following the closing of this offering and the consummation of the Transactions (as defined herein), we will have five classes of stock: Class A-1 Interests, Class A-2 Interests, Class A-3 Interests, Class A-4 Interests and Class B Interests (the "Class B Interests"). Class B Interests are not being offered hereby, and will be held exclusively by Bally's Chicago Holding Company, LLC ("Bally's Chicago HoldCo"), our direct parent and a wholly-owned subsidiary of Bally's Corporation. The rights of the holders of Class A Interests and Class B Interests will be identical, except with respect to the impact of the Subordinated Loans attributable to Class A-1 Interests, Class A-2 Interests and Class A-3 Interests described below, the rights to distributions as summarized below and that Class B Interests have no economic interest in Bally's Chicago, Inc. Each Class A Interest and each Class B Interest is entitled to one vote per share on all matters submitted to a vote of stockholders. Following the closing of this offering and the concurrent private placements and the consummation of the

The info
Commis

Transactions, as the sole holder of our Class B Interests, Bally's Chicago HoldCo will hold 75% of the voting power and no economic interest in Bally's Chicago, Inc.

Following the closing of this offering and the concurrent private placements and the applications of proceeds therefrom and the consummation of the Transactions, we will be a holding company. Our principal asset will consist of the limited liability company interests (the "LLC Interests") of Bally's Chicago OpCo that we purchase directly from Bally's Chicago OpCo with the net proceeds from this offering, the concurrent private placement and the Subordinated Loans (as defined herein), collectively representing an aggregate 25% economic interest in Bally's Chicago OpCo. The remaining 75% economic interest in Bally's Chicago OpCo will be owned by Bally's Chicago HoldCo through its ownership of LLC Interests.

We will be the sole managing member of Bally's Chicago OpCo. We will conduct our business through Bally's Chicago OpCo.

In connection with this offering and the concurrent private placements, we intend to enter into a subordinated loan agreement with Bally's Chicago HoldCo pursuant to which Bally's Chicago HoldCo, as lender, will make subordinated loans to us, as borrower, in various tranches and in varying amounts based on the total number of Class A-1 Interests, Class A-2 Interests and Class A-3 Interests sold in this offering and the concurrent private placements. None of the new investors purchasing Class A Interests in this offering and the concurrent private placements will be a party to the subordinated loan agreement, or a borrower or lender under the Subordinated Loans (as defined herein). For each Class A-1 Interest sold in this offering and the concurrent private placements, we will incur $24,750 of subordinated loans from Bally's Chicago HoldCo (such loans, the "Class A-1 Subordinated Loans"). For each Class A-2 Interest sold in this offering and the concurrent private placements, we will incur $22,500 of subordinated loans from Bally's Chicago HoldCo (such loans, the "Class A-2 Subordinated Loans"). For each Class A-3 Interest sold in this offering and the concurrent private placements, we will incur $20,000 of subordinated loans from Bally's Chicago HoldCo (such loans, the "Class A-3 Subordinated Loans" and, together with the Class A-1 Subordinated Loans and Class A-2 Subordinated Loans, the "Subordinated Loans"). We will not incur any Subordinated Loans or other debt in connection with the issuance of the Class A-4 Interests or the Class B Interests to be held by Bally's Chicago HoldCo. Pursuant to the terms of our amended and restated certificate of incorporation to be in effect prior to the closing of this offering, so long as there are Subordinated Loans outstanding that are attributable to each of our various Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, any cash available for distribution that would otherwise be paid to holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, as applicable, will be required to be used for the repayment of principal and accrued interest on the corresponding Subordinated Loans owed by us. The Subordinated Loans will bear interest at a rate equal to 11.0% per annum, compounding quarterly. The Subordinated Loans will be non-recourse to the holders of our Class A Interests. See "*Subordinated Loans*."

Pursuant to the terms of our amended and restated certificate of incorporation to be in effect prior to the closing of this offering, so long as there are Subordinated Loans outstanding that are attributable to each of our various Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, any cash available for distribution (as defined herein) that would otherwise be paid to holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, as applicable, will be required to be used for the repayment of principal and accrued interest on the corresponding Subordinated Loans owed by us. Therefore, even if our Board (or a duly authorized committee of the Board) authorizes and declares a dividend on our shares of stock, holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests will not be entitled to receive any such dividend until such time as the corresponding Subordinated Loans associated with such Class A Interests are paid in full, which may take a prolonged period of time to occur, if at all.

Our Subordinated Loans will accrue interest at a rate of 11.0% per annum, compounding quarterly, and accrued and unpaid interest will be added to the outstanding principal amount thereof on a quarterly basis. As a result, the amount of Subordinated Loans that are to be paid with a percentage of the amounts that would otherwise be paid on account of Class A-1 Interests, Class A-2 Interests and Class A-3 Interests will increase during the period between the closing date of this offering and the date, if any, on which dividends are to be paid on the Class A-1 Interests, Class A-2 Interests and Class A-3 Interests.

In addition, given the Class A-3 Subordinated Loans attributable to each Class A-3 Interest will be lower than the Class A-1 Subordinated Loans and Class A-2 Subordinated Loans attributable to the Class A-1 Interests and Class A-2 Interests, respectively, the Class A-3 Subordinated Loans are expected to be fully repaid prior to the Class A-1 Subordinated Loans and the Class A-2 Subordinated Loans, to the extent they are fully repaid. Similarly, the Class A-2 Subordinated Loans are expected to be fully repaid prior to the Class A-1 Subordinated Loans, to the extent they are fully repaid. However, due to the significant amount of indebtedness (including both principal and interest) owed on the Subordinated Loans, we do not expect to fully repay the Subordinated Loans for an extended period of time following the closing of this offering, if at all.

In the event that less than $250 million in aggregate amount of gross proceeds from Class A Interests and corresponding Subordinated Loans are received in this offering and the concurrent private placement transactions, Bally's Corporation intends to cause Bally's Chicago HoldCo to provide additional funding to us in an amount equal to such shortfall. The funding may be provided through the purchase by Bally's Chicago

HoldCo of Class A Interests in this offering or the concurrent private placements or through the issuance by us of additional debt, equity, equity-linked securities or intercompany notes to Bally's Corporation, Bally's Chicago HoldCo or their affiliates, or other methods.

Additionally, as a result of any such shortfall in funding, we may need to raise additional capital in the future to fund our operations and pursue our business objectives. We may seek to raise additional funds through various sources, including equity offerings, debt financings, collaborations, strategic alliances and/or licensing arrangements. We cannot assure you that we will be able to obtain additional funds on acceptable terms, or at all. If we raise additional funds by issuing equity or equity-linked securities, our stockholders may experience dilution. Debt financing, if available, may involve restrictive covenants. If we raise funds through collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our intellectual property and/or future revenue streams, or grant licenses on terms that may not be favorable to us. Furthermore, if Bally's Chicago HoldCo purchases Class A Interests in this offering or the concurrent private placements, we may pursue a secondary public offering of such Class A Interests in the future.

While we do not currently intend to issue any additional securities in the future, we may be required to do so from time to time in order to continue to fund our operations. To the extent we decide to issue additional Class A Interests in the future, we may be required to offer you an opportunity to participate pro rata in the offering in order for such offering not to dilute the ownership of individuals meeting the Class A Qualification Criteria below the minimum 25% requirement under the Host Community Agreement (as defined herein). However, to the extent that you determine that you either do not want to participate or cannot participate in any such offering, you will suffer immediate dilution to the extent such offering is completed without your participation. Additionally, we cannot guarantee that we will offer financing options similar to the Subordinated Loans in the future, which would significantly increase the costs of any future investment.

Neither our Class A Interests nor our Class B Interests will be listed on any national securities exchange or on any other stock exchange, regulated trading facility or automated dealer quotation system in the United States or internationally. There is no trading market for our Class A Interests and, due to certain transferability restrictions described below and elsewhere in this prospectus, an active market for our Class A Interests will not likely develop in the future. As such, our Class A Interests will have limited liquidity and holders of our Class A Interests may not be able to monetize their full investment in our Class A Interests, if at all. See "*Description of Capital Stock*" and "*Shares Eligible for Future Sale*."

This offering is only being made to, and all concurrent private placements are being entered into with, individuals and entities that attest to satisfying the Class A Qualification Criteria (as defined herein). The Illinois Gambling Act requires that, as an applicant for an owner's license to operate the casino, we provide evidence of our best efforts to attain certain ownership goals and that the Illinois Gaming Board take our ownership into account when determining whether to grant that license. Consistent with that requirement, our Host Community Agreement with the City of Chicago requires that 25% of Bally's Chicago OpCo's equity must be owned by persons that have satisfied the Class A Qualification Criteria. The Class A Qualification Criteria include, among other criteria, that the person:

- if an individual, must be a woman;
- if an individual, must be a Minority, as defined by MCC 2-92-670(n) (see below); or
- if an entity, must be controlled by women or Minorities.

MCC 2-92-670(n), in turn, defines Minority as:

- any individual in the following racial or ethnic groups:
  - African-Americans or Blacks (including persons having origins in any of the Black racial groups of Africa);
  - American Indians (including persons having origins in any of the original peoples of North and South America (including Central America) and who maintain tribal affiliation or community attachment);
  - Asian-Americans (including persons whose origins are in any of the original peoples of the Far East, Southeast Asia, the islands of the Pacific or the Northern Marianas or the Indian Subcontinent);
  - Hispanics (including persons of Spanish culture with origins in Mexico, South or Central America or the Caribbean Islands, regardless of race); and
- individual members of other groups, including but not limited to Arab-Americans, found by the City

of Chicago to be socially disadvantaged by having suffered racial or ethnic prejudice or cultural bias within American society, without regard to individual qualities, resulting in decreased

---

opportunities to compete in Chicago area markets or to do business with the City of Chicago. Qualification under this clause is determined on a case-by-case basis and there is no exhaustive or definitive list of groups or individuals that the City of Chicago has determined to qualify as Minority under this clause. However, in the event the City of Chicago identifies any additional groups or individuals as falling under this clause in the future, members of such groups would satisfy the Class A Qualification Criteria.

If there are any changes to the groups included in MCC 2-92-670(n), and consequently to the Class A Qualification Criteria, prior to the closing of this offering, we will communicate such changes by filing an amendment to this prospectus with the Securities and Exchange Commission (the "SEC").

Our Class A Interests are subject to restrictions on transferability and redemption provisions, each of which will individually and in the aggregate materially impact the ability of holders of our Class A Interests to transfer their shares following the closing of this offering. Our Class A Interests can only be transferred without our consent to Permitted Transferees (as defined herein). Additionally, our Class A Interests can only be transferred with our consent to individuals or entities that attest to satisfying the Class A Qualification Criteria, and, in the case of Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, only after the Subordinated Loan attributable to such Interest has been paid in full and such Interests are converted to Class A-4 Interests. If a holder of Class A-1 Interests, Class A-2 Interests and/or Class A-3 Interests would like to transfer their Interests before the Subordinated Loans attributable to such class of Interests are paid off, such holder or the transferee may repay in full the pro rata amount of the remaining balance of the Subordinated Loans then outstanding attributable to such Interests before or substantially concurrently with such transfer and conversion. See "*Description of Capital Stock*" and "*Shares Eligible for Future Sale*." Class A Interests also cannot be transferred to employee benefit plans, IRAs and other Plans (as defined herein). See "*Certain ERISA Considerations*."

Moreover, as part of the qualification process, investors will be required to provide certain information described in this prospectus in order to invest in this offering. The method for submitting investment commitments and a more detailed description of this offering process are included in "*Plan of Distribution — Offering Process.*"

See "*Shares Eligible for Future Sale*" beginning on page 192 for a definition of the Class A Qualification Criteria and "*Prospectus Summary — Our Relationship with Chicago*" beginning on page 17 for additional requirements under the Host Community Agreement.

As a result of the terms of this offering, this offering is highly speculative and the securities involve a high degree of risk. Investing in our Class A Interests should be considered only by persons who can afford the loss of their entire investment. See "*Risk Factors*" beginning on page 53.

We made a number of assumptions to determine the price of our Class A Interests. If any of our assumptions are incorrect, including our assumptions regarding the total enterprise value of the Company, then the Class A Interests will be worth less than the price stated in this prospectus. In such case, the return on investment or rate of return on an investment in our Class A Interests could be significantly below an investor's expectation.

We are an "emerging growth company" and a "smaller reporting company" under the federal securities laws, and, as such, are subject to reduced public company reporting requirements. See "*Prospectus Summary — Implications of Being an Emerging Growth Company and a Smaller Reporting Company*."

Neither the SEC nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Class A-1 Interest	Total
Number of shares sold		
Initial public offering price	$ 250	$
Subordinated loan[(1)]	$24,750	$
Placement agent fees[(2)]	$	$
Proceeds to us, before expenses	$	$

	Per Class A-2 Interest	Total
Number of shares sold		
Initial public offering price	$ 2,500	$
Subordinated loan[(1)]	$22,500	$
Placement agent fees[(2)]	$	$
Proceeds to us, before expenses	$	$

	Per Class A-3 Interest	Total
Number of shares sold		
Initial public offering price	$ 5,000	$
Subordinated loan[(1)]	$20,000	$
Placement agent fees[(2)]	$	$
Proceeds to us, before expenses	$	$

	Per Class A-4 Interest	Total
Number of shares sold		
Initial public offering price	$25,000	$
Subordinated loan[(1)]	$ 0	$
Placement agent fees[(2)]	$	$
Proceeds to us, before expenses	$	$

(1) Includes amount of Subordinated Loans attributable to each Class A Interest sold in this offering. Purchasers of Class A Interests will not be borrowers or lenders under the Subordinated Loans.

(2) See "*Plan of Distribution*."

We have reserved up to 300 Class A Interests, or approximately 3.0% of our Class A Interests, for sale to our director nominees on the same terms as the Class A Interests being purchased by investors in this offering. These persons must commit to purchase at the same time as the investors in this offering. The number of Class A Interests available for sale in this offering will be reduced to the extent these persons purchase the reserved Class A Interests. See "*Plan of Distribution — Directed Share Program*."

The placement agents are deemed to be underwriters within the meaning of Section 2(a)(11) of the Securities Act, and any fees received by them will be deemed to be underwriting discounts or commissions under the Securities Act. See "*Plan of Distribution*."

This offering will terminate upon the earlier to occur of (i) 30 days after the registration statement of which this prospectus forms a part becomes effective with the SEC or (ii) the date on which all Class A Interests offered hereby have been sold.

Lead Placement Agent

Loop Capital Markets

Co-Placement Agent

Innovation Capital

The date of this prospectus is , 2025.

Permanent resort and casino renderings (November 2024) Illustrative design, subject to change, see "Risk Factors — Development and Construction Risks"

TABLE OF CONTENTS

INDUSTRY AND MARKET DATA	iii
PROSPECTUS SUMMARY	1
THE OFFERING	35
QUESTIONS AND ANSWERS	42
RISK FACTORS	53
SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INDUSTRY DATA	95
OUR ORGANIZATIONAL STRUCTURE	98
USE OF PROCEEDS	101
DIVIDEND POLICY	102
CAPITALIZATION	104
DILUTION	106
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION	108
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	117
BUSINESS	136
MANAGEMENT	161
SUBORDINATED LOANS	167
EXECUTIVE COMPENSATION	169
TRANSACTIONS WITH RELATED PERSONS	175
PRINCIPAL STOCKHOLDERS	179
DESCRIPTION OF CAPITAL STOCK	181
DESCRIPTION OF CERTAIN INDEBTEDNESS	185
PLAN OF DISTRIBUTION	186
CONCURRENT PRIVATE PLACEMENTS	191
SHARES ELIGIBLE FOR FUTURE SALE	192
MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO U.S. HOLDERS	198
CERTAIN ERISA CONSIDERATIONS	201
LEGAL MATTERS	203
EXPERTS	203
WHERE YOU CAN FIND MORE INFORMATION	203
INDEX TO FINANCIAL STATEMENTS	F-1

We have not, and the placement agents have not, authorized anyone to provide you with any information other than that contained in this prospectus or in any free writing prospectus we may authorize to be delivered or made available to you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus may only be used where it is legal to offer and sell our Class A Interests. The information in this prospectus is complete and accurate only as of the date on the front cover of this prospectus, regardless of the time of delivery of this prospectus or any sale of our Class A Interests. Our business, financial condition, results of operations and prospects may have changed since that date. We are not, and the placement agents are not, making an offer of these securities in any jurisdiction where the offer is not permitted.

This prospectus has been prepared by Bally's Chicago, Inc. and may be used by our placement agents in connection with offers and sales of these securities in primary market transactions in these securities.

Neither we nor the placement agents have undertaken any efforts to qualify this offering for offers to investors in any jurisdiction outside of the states of Illinois, Florida, New York and Texas. Investors must have a U.S. social security number and/or a U.S. tax identification number to be eligible to participate in this offering.

INDUSTRY AND MARKET DATA

This prospectus includes estimates regarding market and industry data. Unless otherwise indicated, information concerning our industry and the markets in which we operate, including our general expectations, market position, market opportunity and market size, are based on our management's knowledge and experience in the markets in which we operate, together with currently available information obtained from various sources, including publicly available information, industry reports and publications, trade and business organizations, and other contacts in the markets in which we operate. Certain information is based on management estimates, which have been derived from third-party sources, as well as data from our internal research, and are based on certain assumptions that we believe to be reasonable.

In presenting this information, we have made certain assumptions that we believe to be reasonable based on such data and other similar sources and on our knowledge of, and our experience to date in, the markets in which we operate. While we believe the estimated market and industry data included in this prospectus are generally reliable, such information, which is derived in part from management's estimates and beliefs, is inherently uncertain and imprecise, and you are cautioned not to give undue weight to such estimates. Market and industry data are subject to change and may be limited by the availability of raw data, the voluntary nature of the data gathering process and other limitations inherent in any statistical survey of such data. In addition, projections, assumptions and estimates of the future performance of the markets in which we operate are necessarily subject to uncertainty and risk due to a variety of factors, including those described in "*Risk Factors*" and "*Special Note Regarding Forward-Looking Statements*." These and other factors could cause results to differ materially from those expressed in the estimates made by third parties and by us. Accordingly, you are cautioned not to place undue reliance on such market and industry data or any other such estimates. The content of, or accessibility through, the sources and websites identified herein, except to the extent specifically set forth in this prospectus, does not constitute a portion of this prospectus and is not incorporated herein and any websites are an inactive textual reference only.

KEY PERFORMANCE INDICATORS

The key performance indicators used in managing our business is Income (loss) from operations for our Permanent Casino reportable segment and Adjusted EBITDAR for our Temporary Casino reportable segment. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Operating Structure*" for more information about our reportable segments. Temporary Casino Adjusted EBITDAR is a measure of the Company's segment profitability disclosed in accordance with the requirements of ASC 280, Segment Reporting, and it does not represent a non-GAAP measure. Temporary Casino Adjusted EBITDAR is defined as earnings, or loss, for the temporary casino before interest expense, net of interest income, provision (benefit) for income taxes, depreciation and amortization, non-operating (income) expense, expansion costs, management fees to Bally's Corporation, rent expense from triple net operating leases, and certain other gains or losses.

PROSPECTUS SUMMARY

The following summary highlights information contained elsewhere in this prospectus and is qualified in its entirety by the more detailed information and financial statements included elsewhere in this prospectus. This summary does not contain all of the information that may be important to you. You should read and carefully consider the following summary together with the entire prospectus, including our financial statements and the related notes thereto appearing elsewhere in this prospectus, before deciding to invest in our Class A Interests. Some of the statements in this prospectus constitute forward-looking statements that involve risks and uncertainties. See "Special Note Regarding Forward-Looking Statements and Industry Data." Our actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors, including those discussed in "Risk Factors" and other sections of this prospectus.

Our Mission

Our mission is to design, build and operate a world-class entertainment destination resort, befitting Chicago's status as a world-class city.

Our Company

We are a gaming, hospitality and entertainment company with the singular focus of building and operating a world-class entertainment destination resort in Chicago, Illinois. We intend to provide both Chicago residents and business and leisure travelers visiting Chicago with physical and interactive entertainment and gaming experiences.

We intend to build a destination casino, hotel and entertainment venue (our "permanent casino and resort") that will showcase "The Best of Chicago" arts and culture, food and sports, and curated dining and entertainment experiences. Our permanent casino and resort in Chicago will be located on the 30-acre property which previously hosted the Chicago Tribune Publishing Center, at the intersection of Chicago Avenue and Halsted Street in downtown Chicago, and will look to transform this currently underutilized site into a major economic driver for the city. Our permanent casino and resort will be in close proximity to a wide range of hotels, theaters, bars, restaurants, major shopping districts and the McCormick Place Convention Center, the proximity to which will help drive traffic to our permanent casino and resort, primarily due to our differentiated gaming attractions in comparison to other offerings in this geographic location.

In developing the entertainment destination resort, we intend to adhere to Bally's community-first policy, which is a fundamental and defining element of who we are as a company. We believe that in every community in which Bally's operates, it has built strong, lasting partnerships with local residents and businesses. Chicago will be no different. With this project, we are committed to ensuring that our permanent casino and resort generates significant economic stimulus and creates a wealth of employment opportunities for the greater Chicago community.

Among other features and amenities, once finalized, our permanent casino and resort is being designed to include approximately:

- 3,400 slot machines;
- 173 table games;
- 10 food and beverage ("F&B") venues;
- a hotel tower with 500 rooms and a rooftop bar;
- a 3,000-person mixed use entertainment and event center;
- 3,300 parking spaces; and
- outdoor green space, including an expansive public riverwalk with a water taxi stop.

On May 5, 2022, the City of Chicago selected us as the preferred bidder in Chicago's request for proposal process (the "RFP process") to construct and operate a world-class casino resort in downtown

Chicago. We worked cooperatively with city officials and community leaders throughout the RFP process to

develop a project that embraced Chicago as a global gateway city, incorporating its vibrant cultural scene and highly diversified economy. Chicago selected us on the basis that they believe our plan provides the most economic value to Chicago and its taxpayers, including an upfront payment of $40.0 million and annual payments to the City totaling $4.0 million.

The gaming taxes on our gaming revenue will be paid to the state of Illinois and the City of Chicago, with the City of Chicago taxes applied to pay a portion of the City's obligations toward its fire and police union pensions. Additionally, our permanent casino and resort is projected to create approximately 12,250 design, development and construction jobs and approximately 3,000 permanent jobs upon the opening of our permanent casino and resort.

Bally's Corporation

Our ultimate parent, Bally's Corporation, is a global gaming, hospitality and entertainment company with a portfolio of casinos and resorts and online gaming businesses. Bally's Corporation provides its customers with physical and interactive entertainment and gaming experiences, including traditional casino offerings, iGaming, online bingo, sportsbook and free to play games ("F2P").

As of December 31, 2024, Bally's Corporation owns and manages 15 land-based casinos in ten states across the United States, one golf course in New York, and one horse racetrack in Colorado operating under Bally's brand. Its land-based casino operations include approximately 14,800 slot machines, 500 table games and 3,800 hotel rooms, along with various restaurants, entertainment venues and other amenities. Certain of its properties are leased under a master lease agreement with GLP Capital, L.P. ("GLP"), a subsidiary of Gaming and Leisure Properties, Inc. ("GLPI"), a publicly traded gaming-focused real estate investment trust ("REIT"). With its acquisition of London-based Gamesys Group, Plc. ("Gamesys") on October 1, 2021, Bally's Corporation expanded its geographical and product footprints to include an iGaming business with well-known brands providing iCasino and online bingo experiences to its global online customer base with concentrations in Europe and a growing presence in North America. Bally's Corporation's iCasino and online bingo platforms and games content, sportsbook and F2P games are provided on a business-to-business ("B2B") as well as a business-to-consumer ("B2C") basis. Its revenues are primarily generated by these gaming and entertainment offerings. Bally's Corporation owns and operates its proprietary software and technology stack designed to allow it to provide consumers with differentiated offerings and exclusive content.

In July 2024, Bally's Corporation entered into a definitive merger agreement (as amended in August 2024 and further amended in September 2024), pursuant to which The Casino Queen & Entertainment Inc. ("Casino Queen"), a corporation majority-owned by funds managed by Standard General L.P., Bally's Corporation's largest common stockholder, will merge with Bally's Corporation. Pursuant to the agreement, Bally's stockholders will receive cash merger consideration of $18.25 per share, unless such stockholders elect the rollover election to forego the cash consideration in order to remain invested in the combined company. In connection with the foregoing transactions, Bally's will combine with Casino Queen, a regional casino operator and owner of a significant minority stake in global lottery operator Intralot S.A. Bally's stockholders approved the merger agreement on November 19, 2024. Closing of the transactions contemplated by the merger agreement is anticipated to occur in the first quarter of 2025 and remain subject to the receipt of regulatory approvals and the satisfaction of other customary closing conditions.

Our Location

We have leased a 30-acre property on the banks of the Chicago River, which previously hosted the Chicago Tribune Publishing Center. The proposed site for our permanent casino and resort is at the intersection of Chicago Avenue and Halsted Street in downtown Chicago, which we believe will be an optimal location for our permanent casino and resort. We will look to transform this currently underutilized site into a major economic driver for the city. The proposed site for our permanent casino and resort is also near major shopping and cultural attractions along Michigan Avenue, as well as a wide selection of hotels and restaurants at various price points and that are popular among local residents and tourists.

The proposed site is less than five minutes away from a major highway exit, making it easily accessible by car. We also intend to build a new water taxi stop and a new pedestrian bridge across the Chicago River

to make the proposed site even more accessible to Chicago residents and tourists in the downtown area. Our permanent casino and resort will be the only casino in the City of Chicago. The next closest casino is 16 miles outside of the city and not easily accessible via public transportation.

Once fully developed and operational, it will take a commuter approximately:

- 15 minutes on average to reach our permanent casino and resort from Chicago Loop via public transportation;
- 10 minutes on average to reach our permanent casino and resort from Magnificent Mile via public transportation;
- 45 minutes on average to reach our permanent casino and resort from Chicago O'Hare International Airport via public transportation; and
- 50 minutes on average to reach our permanent casino and resort from Midway Airport via public transportation.

In addition, our permanent casino and resort will have approximately 2,000 feet of contiguous river walk, public parks and docks. Additionally, it will include riverfront restaurants and other amenities, including locations for scenic views.

For illustrative purposes, subject to change, see "Risk Factors — Development and Construction Risks"

Design & Construction

Demolition for construction of our permanent casino, performance center, resort, F&B offerings and hotel began on July 5, 2024, and our permanent casino and resort is expected to open to the public in September 2026. Our plan is to build in phases with demolition, site prep, parking and access to be followed by the construction of the permanent casino, performance center, and hotel tower, and would target that key elements of the project to be ready and prepared to serve patrons by the third quarter of 2026. However, there can be no assurances that we will be successful in doing so. Additionally, based upon our joint assessment with GLPI at the time that we entered into the GLP Term Sheet (as defined herein), we expect to incur expenses amounting to at least approximately $1.4 billion in the design, development and construction of our permanent casino and resort. However, this estimate is subject to change based on numerous factors outside of our control, which could cause the actual construction costs to increase. Any increased construction costs could materially and adversely affect the return on our investments. For additional

discussion of these factors, please see "*Risk Factors — Development and Construction Risks.*"

TABLE OF CONTENTS

Permanent casino and resort renderings (November 2024)
Illustrative design, subject to change, see "Risk Factors — Development and Construction Risks"

In connection with the development and construction of our permanent casino and resort, we intend to contract or achieve:

- 46% or more of the funds earmarked for construction and development will be disbursed to businesses with a certification as Minority or women-owned businesses;
- 50% or more total hours spent on construction and development by City of Chicago residents;
- LEED Gold certification from Green Building Council; and
- 125 points under the Chicago Sustainable Development Policy.

In addition, we are in discussion with the Illinois Gaming Board and Midway International Airport to

install slot machines at Midway International Airport.

In November 2022, we entered into the Oak Street Lease Agreement (as defined herein) to lease the proposed site on which we plan to develop our permanent casino and resort. The Oak Street Lease Agreement commenced on November 18, 2022 and has a 99-year term.

On July 11, 2024, Bally's entered into a binding term sheet (the "GLP Term Sheet") with GLP for a strategic construction and financing arrangement, including up to $940.0 million of funding for the construction of our permanent casino and resort. In connection therewith, GLP acquired the fee interest in the proposed site on which we plan to develop our permanent casino and resort from the Oak Street Landlord (as defined herein) and succeeded to the Oak Street Landlord's interest as landlord under the Oak Street Lease Agreement. We and GLP are negotiating the GLP Lease Agreement (as defined herein) pursuant to which GLP will lease the site back to us, and the Oak Street Lease Agreement will be terminated. The GLP Lease Agreement will have a 15-year term followed by multiple renewal terms to be agreed between us and GLP. We expect to consummate the GLP Lease Agreement and terminate the Oak Street Lease Agreement in the first quarter of 2025.

Permanent Casino and Resort Illustrative Examples of Performance Based on Various Assumptions

We expect our permanent casino and resort to open to the public in September 2026. Based on current design specifications and projected square footage, our planned permanent casino and resort is expected to feature, among other things, approximately 3,400 slot machines, 173 table games, 10 F&B venues, a hotel tower with 500 rooms and a rooftop bar. This gaming, hospitality and F&B capacity has been strategically determined to optimize revenue potential and guest experience while aligning with anticipated market demand and regulatory requirements. The final number and mix of gaming, hospitality and F&B offerings may be subject to adjustment based on ongoing market analysis, regulatory approvals, and construction developments.

These illustrative examples are based on hypothetical assumptions and scenarios, using historical data and industry-based assumptions. It is not a prediction or guarantee of future performance and may have limited applicability, particularly because the gaming and hospitality industry is subject to rapid changes in consumer preferences, technological advancements, regulatory landscapes and economic conditions. This sensitivity analysis is solely designed to illustrate potential variability in results under different hypothetical scenarios and does not predict actual future events or outcomes, nor does it assign probabilities to different scenarios. As such, there can be no assurance that we will achieve any of the results presented in the hypothetical scenarios and our actual results may differ materially from the hypothetical scenarios presented.

The illustrative examples are based upon a number of assumptions and estimates that, although presented with numerical specificity, are inherently subject to business, economic and competitive uncertainties and contingencies, many of which are beyond our control and are based upon specific assumptions with respect to future business decisions, most of which will change. While the sensitivity analysis presented reflects our management's best assumptions as of the date of this prospectus, they are not intended to represent that actual results could not fall below such estimates. There can be no assurance that we will achieve or surpass the results presented within the illustrative examples included below. For example, the City of Chicago's 2024 budget anticipated $35 million in gaming tax revenue to be generated from our temporary casino in 2024, but our temporary casino generated $16 million in 2024. As such, we and the City of Chicago overestimated revenue projections from the temporary casino, and the same could happen with respect to our permanent resort and casino.

In addition to assumptions on revenue generated by gaming, the table below outlines various additional assumptions, including anticipated hotel room occupancy rates and the expected number of guests. Additionally, it makes assumptions as to the revenue that could be generated from such guests' expenditures at on-site restaurants, bars, and F&B generally. These assumptions are subject to numerous risks. For instance, consumers may choose to visit casinos elsewhere in the state of Illinois or in neighboring states. Even if they decide to stay in the hotel that is planned for our permanent casino and resort, such hotel guests may choose not to visit the casino, opt to dine elsewhere in Chicago (which is a city that has a large quantity of restaurants and bars), or decide not to spend on F&B at all. Consequently, there is no assurance that the projected figures for gaming and F&B revenue will be realized. In addition, since 2019, the Illinois Gaming Board has approved the establishment of six new casinos within the state of Illinois, reflecting a significant expansion of the gaming landscape within the state. In the future, there may be further authorizations, either

through the introduction of additional casinos or the expansion of existing ones, as

the board continues to evaluate the evolving market dynamics. The proximity of the current, and any future, casinos to our permanent casino and resort presents a strategic challenge, as it raises the risk of market saturation. Such saturation could lead to increased competition, with other casinos potentially attracting customers who might otherwise visit our permanent casino and resort. This competitive pressure could result in a dilution of our customer base, thereby impacting our revenue, market position and overall financial performance.

Furthermore, the illustrative examples do not include estimated expenses due to the unpredictability of the expenses in the industry. Our expenses include gaming expenses, non-gaming expenses, general and administrative expenses and advertising expenses. Our gaming expenses include, among other things, payroll costs and expenses associated with the operation of slot machines and table games, including gaming taxes payable to the jurisdiction in which the Company operates. Our non-gaming expenses, include, among other things, payroll costs and expenses associated with the operation of restaurants and retail operations. Our general and administrative expenses consist primarily of salaries, bonuses and benefits for employees, legal and other professional services fees, and other general operating expenses.

We are generally subject to gaming-related taxes, including, but not limited to, Illinois admission and privilege taxes and Cook County gambling machine tax. Our operations generally are subject to significant state and local gaming-related receipts-based taxes and fees, in addition to state and local taxes applicable to non-gaming operations, and such taxes and fees generally are subject to increase at any time. We generally anticipate being subject to gaming-related receipts- based taxes imposed by Illinois, with Illinois and Chicago rates generally currently varying between approximately 8.1% – 40%, depending on certain factors, including but not limited to the amount of receipts received and the type of game.

From time to time, federal, state and local legislators and officials have proposed changes in tax laws, or in the administration of such laws, affecting the gaming industry. Further, worsening economic conditions could intensify the efforts of applicable state and local governments to raise revenues through increases in gaming taxes and/or non-gaming taxes. It is not possible to determine with certainty the likelihood of changes in tax laws in these jurisdictions or in the administration of such laws. Such changes, if adopted, could adversely affect our business, financial condition and results of operations. Any material increase, or the adoption of additional taxes or fees, could adversely affect our future financial results.

Given the factors described above, investors should be aware that expenses may be higher that the AGRs presented in each of the scenarios and may results in operating losses. There is no guarantee that our permanent resort and casino will be profitable under any of the scenarios described below or at all.

The illustrative examples presented below are speculative in nature, and it is likely that some or all of the assumptions underlying these hypothetical scenarios will not materialize or will vary significantly from actual results. Any failure to successfully implement our operating strategy or the occurrence of any of the risks or uncertainties set forth in this prospectus, could result in actual results being different than those presented in our sensitivity analysis, and such differences may be adverse and material. In light of the foregoing, investors are urged to put such hypothetical examples in context and not to place undue reliance on it.

For further discussion of some of the factors that may cause actual results to vary materially from the information provided below, see "*Cautionary Note Regarding Forward-Looking Statements*" and "*Risk Factors*."

For illustrative purposes only, the table below reflects an example of hypothetical outcomes based on various Win Per Unit Per Day ("WPUPD"), which is the average revenue a single gaming unit generates daily, and Adjusted Gross Revenue ("AGR"), which is the WPUPD on an annualized basis, scenarios based on the anticipated 3,400 slot machines, 173 table games, 10 F&B venues, a hotel tower with 500 rooms and a rooftop bar we currently expect to feature in our permanent casino and resort. Changes in the number of slot machines and table games would have a corresponding impact on the illustration set forth below.

For comparative context, we have included WPUPD and AGR data, slot machine counts, and table game counts as of and for the year ended December 31, 2023 for select gaming properties. This information has been derived from public filings of the respective casino operators. The properties included are the MGM National Harbor Casino and Encore Boston Harbor Casino, which are casino resorts in a campus environment

that operate in or near similar major metropolitan areas, as well as Hard Rock Northern Indiana Casino, Rivers Casino, Ameristar East Chicago, Grand Victoria Casino, Harrah's Joliet Casino & Hotel, Hollywood Casino Aurora, Hollywood Casino Joliet, and Horseshoe Hammond, which are casinos located near the Chicago metropolitan area and in Northern Indiana. We have identified these properties as potentially comparable to our proposed permanent casino and resort based on certain factors, including location in metropolitan areas with similar demographic profiles, comparable economic characteristics of the surrounding regions, and proximity to the City of Chicago.

Investors should be aware that these comparisons have limitations and may not be directly applicable to our proposed operations due to various factors, including but not limited to differences in local market conditions, variations in regulatory environments, property-specific operational strategies, and unique competitive landscapes in each market. The information provided is intended solely to offer context and does not constitute a projection or forecast of our future performance.

See "*Risk Factors — Business Operational Risks — Actual operating results may differ significantly from our hypothetical examples*" and "*Cautionary Note Regarding Forward-Looking Statements*."

($ in MM, except WPUPD and % metrics)	**Scenario #1**	**Scenario #2**	**Scenario #3**	**Scenario #4**
Slot Machines[1]	3,400	3,400	3,400	3,400
Slots WPUPD	$ 350	$ 400	$ 450	$ 500
Slots AGR[2]	$ 434	$ 496	$ 558	$ 621
Table Games[3]	173	173	173	173
Table Games WPUPD	$3,500	$4,000	$4,500	$4,500
Table Games AGR[4]	$ 221	$ 253	$ 284	$ 284
Gaming AGR[5]	**$ 655**	**$ 749**	**$ 843**	**$ 905**
Hotel ADR[6]	250	300	350	400
Rooms[7]	500	500	500	500
Occupancy	65.0%	70.0%	75.0%	80.0%
Hotel Room Revenue[8]	$ 30	$ 38	$ 48	$ 58
AGR Pull-through[9]	$ 47	$ 51	$ 55	$ 58
Hospitality AGR[10]	$ 77	$ 89	$ 103	$ 117
Percentage of Gaming AGR	12.5%	15.0%	17.5%	20.0%
F&B AGR	$ 82	$ 112	$ 147	$ 181
Total AGR[11]	**$ 814**	**$ 951**	**$1,093**	**$1,202**

(1) Our permanent casino and resort is being designed to include 3,400 slot machines.

(2) Slots AGR is calculated as the number of slot machines multiplied by the assumed slots WPUPD and further multiplying the result by 365 days.

(3) Our permanent casino and resort is being designed to include approximately 173 table games.

(4) Table Games AGR is calculated as the number of table games multiplied by the assumed table games WPUPD and further multiplying the result by 365 days.

(5) Gaming AGR is the calculated as the sum of Slots AGR and Table Games AGR and excludes retail sportsbook.

(6) "Hotel ADR" is defined as the assumed average daily rate for each hotel room.

(7) Our permanent casino and resort is being designed to include approximately 500 rooms.

(8) Hotel room revenue is calculated as the assumed Hotel ADR multiplied by the assumed number of rooms as further multiplied by 365 days.

(9) AGR pull-through is the assumed average additional revenue generated per occupied room on a daily

basis based on the assumed additional gaming and F&B revenue generated by hotel guests occupying such rooms.

(10) Hospitality AGR is calculated as the sum of hotel room revenue and AGR pull-through.
(11) Total AGR is the sum of Gaming AGR and F&B AGR.

($ in MM, except WPUPD metrics)	Comparable Properties for 2023[12] MGM National Harbor	Encore Boston	Hard Rock Northern Indiana	Rivers Casino Illinois
Slot Machines	2,265	2,550	1,743	1,516
Slots WPUPD	$ 589	$ 448	$ 486	$ 598
Table Games	209	191	76	120
Table Games WPUPD	$4,572	$4,848	$4,202	$4,744
Total Gaming AGR[13]	**$ 834**	**$ 755**	**$ 426**	**$ 539**

(13) Gaming AGR does not include retail sportsbook.

Illinois and Northern Indiana Slots

	# Slots	2023[12] Admissions	AGR	WPU
Ameristar East Chicago	1,162	N/A	$154	$362
Grand Victoria Casino	762	943	$119	$427
Hard Rock Northern Indiana	**1,743**	**N/A**	**$309**	**$486**
Harrah's Joliet Casino & Hotel	777	738	$113	$400
Hollywood Casino Aurora	832	852	$ 77	$255
Hollywood Casino Joliet	937	683	$ 80	$233
Horseshoe Hammond	1,688	N/A	$235	$381
Rivers Casino Des Plaines	**1,516**	**3,088**	**$331**	**$598**
Average	**1,177**	**1,261**	**$177**	**$393**
Median	**1,050**	**852**	**$136**	**$390**
Top Performers – Averages				
Top Performer Average	**1,705**	**2,230**	**$316**	**$519**

Illinois and Northern Indiana Table Games

	# Tables	2023[12] Admissions	AGR	WPU
Ameristar East Chicago	44	N/A	$ 35	$2,168
Grand Victoria Casino	45	943	$ 31	$1,896
Hard Rock Northern Indiana	**76**	**N/A**	**$117**	**$4,202**
Harrah's Joliet Casino & Hotel	21	738	$ 18	$2,344
Hollywood Casino Aurora	34	852	$ 20	$1,616
Hollywood Casino Joliet	13	683	$ 12	$2,367
Horseshoe Hammond	81	N/A	$ 68	$2,289
Rivers Casino Des Plaines	**120**	**3,088**	**$208**	**$4,744**
Average	**54**	**1,261**	**$ 64**	**$2,703**
Median	**45**	**852**	**$ 33**	**$2,316**
Top Performers – Averages				

Top Performer Average	**93**	**2,230**	**$144**	**$4,365**

(12) Based on publicly available information. All figures are as of and for the year ended December 31, 2023.

These illustrative comparisons are only for purposes of illustrating the publicly reported WPUPD per slot machine and table game, and the associated AGR for nearby casino properties in Illinois and Northern Indiana. These illustrative comparisons are not projections, goals or targets but reflect the actual reported results of these casino properties as reported by the Illinois and Indiana state gaming commissions for the relevant periods.

The illustrative comparisons set forth above were not prepared with a view toward compliance with published guidelines of the SEC or the guidelines established by the American Institute of Certified Public Accountants for preparation or presentation of prospective financial information. Such illustrative examples have been prepared by, and is the responsibility of, our management. Neither the Company's independent auditors, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the illustrative example information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.

This prospectus does not include a reconciliation of estimated Total AGR to estimated GAAP revenue because we are unable, without making unreasonable efforts, to provide a meaningful or reasonably accurate calculation or estimation of certain reconciling items which could be significant to our results.

Hospitality Industry in Chicago

The hospitality industry in Chicago is showing strong signs of recovery and growth, driven by a combination of increasing tourism, business travel and a dynamic local culture. Occupancy rates are steadily climbing as travelers return to the city for its world-class dining, vibrant arts scene and high-profile events like conventions and festivals. Hotels are adapting to evolving guest expectations by modernizing amenities, prioritizing sustainability, and enhancing the overall guest experience. The city's strong marketing efforts and investment in infrastructure, such as O'Hare's expansion, have also boosted its appeal as a global destination. With these improvements, Chicago's hospitality sector has positioned itself as a leader in urban tourism and accommodation.

In 2023, the Chicago hospitality industry exceeded the expectations, booking over 2,100 future meetings and events, representing 2.45 million hotel room nights, which exceeded 2022 levels by 43%. This was driven primarily by a steady influx of visitors exploring Chicago's vibrant neighborhoods, iconic landmarks and world-class cultural offerings. The City saw 52 million visitors — over 3 million more than 2022 — and filled 11 million hotel rooms.

2023 Hotel Occupancy Rates

TOTAL	LEISURE	GROUP
65.2%	**44.5%**	**19.3%**
+8.0% Year-over-Year	+9.4% Year-over-Year	+5.0% Year-over-Year

2023 Hotel Rooms Occupied (Millions)

TOTAL	LEISURE	GROUP
11.02	**7.51**	**3.26**
+10.5% Year-over-Year	+11.9% Year-over-Year	+7.4% Year-over-Year

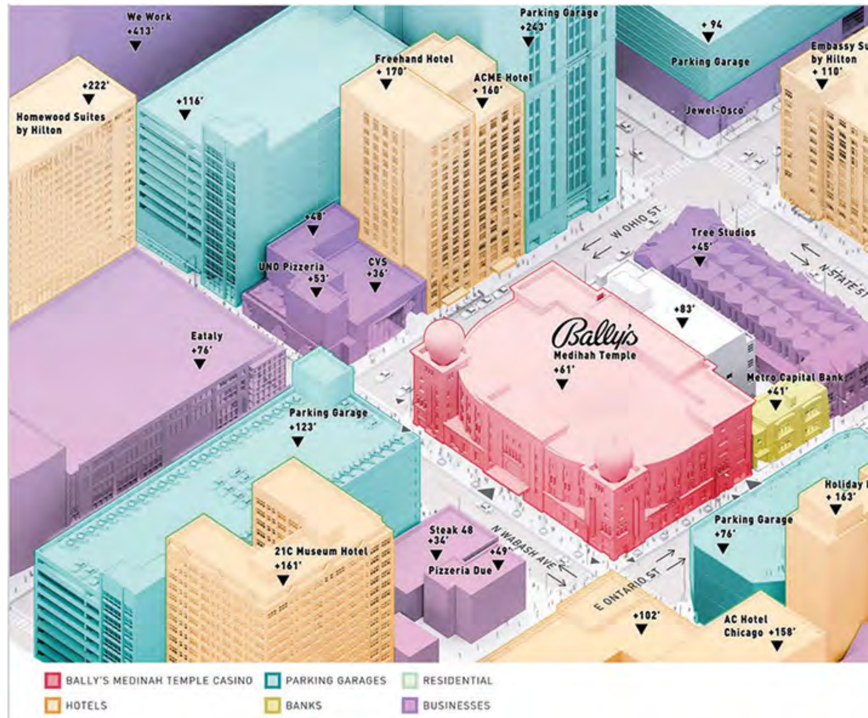
2023 Hotel Revenue and Taxes

TOTAL	LEISURE	GROUP
$2.5B	$140.4M	$437.4M
+10.3% Year-over-Year	+10.3% Year-over-Year	+10.3% Year-over-Year

Temporary Casino

While we work to construct our permanent casino and resort on the banks of the Chicago River, we built a temporary casino in downtown Chicago (our “temporary casino” and, together with our permanent casino and resort, our “casino and resort”). However, as the name implies, our temporary casino is expected to close once we open our permanent casino and resort, as our license to operate our temporary casino would cease in order to open our permanent casino and resort in the third quarter of 2026.

Our temporary casino is situated in the former location of the Medinah Temple, which acted as a community and social center in Chicago from its construction in 1912. Our temporary casino began operations on September 9, 2023. Our temporary casino includes approximately 1,000 gaming positions and two F&B venues.



Our new work for our temporary casino respects and maintains the existing landmarked items identified by the City of Chicago in the Medinah Temple, including the exterior façade. While we performed minor improvements on the façade, such work was focused on the replacement of signage in the same locations utilized by previous tenants. Within the Medinah Temple, we preserved the stained glass windows, stage proscenium, column capitals and third floor ceiling, including the four domes. As of September 30, 2024, we have incurred approximately $70.0 million in costs in connection with the design and development of our temporary casino.

Timeline of Key Milestones[1]

Date	Key Milestone
September 9, 2023	**Grand opening of our temporary casino**
July 5, 2024	Tribune surrenders and vacates proposed site of our permanent casino and resort
July 5, 2024	Decommission and demolition of building on site of our permanent casino and resort
Q1 2025	Commencement of construction of our permanent casino and resort
Q3 2026	**Grand opening of our permanent casino and resort[2]**

(1) This timeline reflects our current business strategy. However, our ability to implement our business strategy is subject to numerous risks and uncertainties. We face many risks inherent in our business generally. You should carefully consider all of the information set forth in this prospectus and, in particular, the information under the heading "*Risk Factors.*" These risks include various construction and development risks in connection with our permanent casino and resort. See "*Risk Factors — Development and Construction Risks*."

(2) The Host Community Agreement with the City of Chicago provides for significant liquidated damages in the event that we do not meet the milestones specified as to our temporary casino and our permanent casino and resort. See "*— Our Relationship with Chicago — Host Community Agreement with the City of Chicago*" for more information on these milestones. Also see "*Risk Factors — Development and Construction Risks*" for more information on various construction and development risks in connection with our permanent casino and resort.

Competitive Strengths

Fully integrated destination resort focused on the attractive mainstream market segment

Our permanent casino and resort is focused on the mainstream market segment. We believe this segment provides attractive long-term growth opportunities and the mainstream market gaming segment has relatively high margins in comparison to other gaming segments.

Our permanent casino and resort is being designed to feature a hotel tower including 500 rooms and a rooftop bar. Our dining and beverage options are also designed for broad market appeal and include a range of restaurants, cafes, bars and lounges. Our location, in the heart of the City of Chicago, offers an immersive entertainment environment in street and riverscape surroundings inspired by iconic shopping in the Magnificent Mile district. Our permanent casino and resort will also feature a new landscaped riverwalk with activation elements such as artwork, walking paths and a dog park. It will also include a new park along the river, terraced steps and outdoor seating for restaurants, cafes, bars and lounges. The park will be accessible to the public during the hours typical of Chicago public parks. We believe that our combination of entertainment and leisure activities, differentiated gaming attractions in comparison to other offerings in this geographic location and outdoor space, including being the only casino in the City of Chicago, delivered in an easily accessible location, will provide a customer experience that is hard to replicate without having to visit multiple destinations.

Strategic location with strong and improving accessibility

The following map illustrates the centralized location of our permanent casino and resort in Chicago:

Our permanent casino and resort will be strategically located in the heart of the City of Chicago, as the only casino located directly adjacent to the Chicago River, with easy access to the blue transit line as well as to multiple bus stops. The City of Chicago is the third most populous city in the United States, with 2.7 million residents in 2023 according to the United States Census Bureau. According to Forbes and Business Insider, tourism to the City of Chicago reached approximately 55 million visitors prior to the COVID-19 pandemic and is expected to fully rebound by the end of 2024.

We believe we can also leverage the traffic flow from nearby hotels, theaters, bars, restaurants, shopping districts and McCormick Place Convention Center to drive significant traffic to our permanent casino and resort, primarily due to our differentiated gaming and entertainment attractions in comparison to other offerings in this geographic location. Our close proximity to the Chicago River, which is a top tourist attraction in Chicago, will allow us to drive marketing promotions to tourists and drive further traffic to our permanent casino and resort. We intend to build a new water taxi stop and a new pedestrian bridge across the Chicago River to capitalize on traffic flow and make the proposed site even more accessible to Chicago residents and tourists in the downtown area. We also expect to be a natural and popular first stop for a large number of visitors to Chicago due to our close proximity to the River West, Fulton River District, River North and West Loop entertainment districts.

Backed by an established operator with a leading and diversified national gaming footprint

We are backed by Bally's Corporation, an established operator in our casino and resort industry that is capable of providing expertise, know-how and support across the entire gaming spectrum, ranging from generation and advertising technology to the collection, processing and extrapolation of data and odds, to

visualization solutions, risk management and platform services.

The deep understanding of our public company parent of the gaming industry, customer needs and preferences, regulatory processes and the evolving competitive landscape offers us a significant competitive advantage over our competitors. Upon the closing of this offering, we will continue to benefit from our relationship with Bally's Corporation through the scale of Bally's operations, including the centralization of shared services and support functions such as legal, information technology, human resources, supply chain logistics, warehousing, strategic sourcing and transportation. We will also continue to benefit from Bally's Corporation's extensive customer and sales network, as well as its well-developed and recognized customer loyalty programs, which we will continue to leverage to further drive visitation.

After its contemplated merger with Casino Queen, Bally's Corporation's casino offerings will stretch across eleven states across the United States. We believe the breadth of their offerings and reach gives us a competitive advantage in launching operations in a new city or state, as we are able to leverage their considerable resources and know-how to deliver the best offerings to potential customers.

Powerful network effects accelerate our value proposition

Under the Bally's brand, we are able to benefit from powerful network effects, which further accelerate our value proposition. As a national participant in the gaming industry, Bally's Corporation has casinos resorts spread across numerous major cities and has hosted tens of millions of customers since all of its casino resorts and online gaming operations commenced operations. We believe that, by operating under the Bally's brand, we will be able to attract existing and new customers to our new casino and resort, as we will not be required to gain their trust upon launching our operation.

Experienced and Dedicated Management Team

Our management team has extensive experience in the gaming and hospitality industries. Management team members have prior tenures at other large-scale casino and entertainment companies, such as PENN Entertainment, Delaware North Companies, International Game Technology and Northstar Lottery Group. Our management team has an average of more than 11 years of experience in the gaming and hospitality industries. In addition, as of September 30, 2024, Bally's had approximately 10,500 employees who are dedicated to Bally's national and international operations to ensure exceptional customer experiences. We will also receive certain centralized corporate and management services from Bally's Corporation, including shared service staff who will devote a portion of their time to our operations. We intend to continue to capitalize on the deep industry expertise, management skills and strong execution capabilities of our management team to successfully formulate and implement our strategies, and continue to streamline our operations by utilizing the services provided by our affiliates.

Our Business and Growth Strategies

Continue to focus on the mainstream market segment

We intend to focus on mainstream market gaming due to its attractive growth opportunities and higher margin profile. We are designing our non-gaming attractions to complement the mainstream market focus of our permanent casino and resort by delivering experiences that appeal to mainstream market players. We aim to leverage our differentiated entertainment, retail, F&B and hotel amenities to drive visitation, longer stays and greater spending by our patrons. Under our current plan, our permanent casino and resort is being designed to include approximately 3,400 slot machines and 173 table games. In addition, we currently envision outdoor green space, including an expansive public riverwalk with a water taxi stop. Other non-gaming attractions expected to be part of our permanent casino and resort include a hotel tower with 500 rooms, a rooftop bar, a 3,000-person mixed use entertainment and event center, as well as retail and F&B outlets. We expect our current plan for our permanent casino and resort to diversify our offerings and create long-term shareholder value.

Continue to drive visitation and revenue growth through innovative non-gaming attractions

We intend to enhance and diversify our differentiated non-gaming amenities and service offerings with the goal to drive further visitation to our casino and resort by both residents of Chicago and tourists visiting Chicago, and deliver long-term growth and high margins. We believe our permanent casino and resort will

be different from existing resorts and casinos in Illinois and neighboring states because of our strategic location along the Chicago River, as well as our innovative and interactive entertainment attractions, which are intended to appeal to both individuals and groups interested in gaming and those not interested in gaming alike. We intend to leverage Bally's Corporation's existing attractions to provide superior entertainment experiences. For example, we intend to host premier concerts and events over time to increase our brand recognition locally, which we believe we can do using our nationwide access to premier talent. We also intend to enhance existing attractions and update them over time, and to optimize our mix of retail and F&B offerings that appeal to our target customers.

Continue to pursue strategic marketing initiatives and differentiate the "Bally's" brand

We plan to continue to build the "Bally's" brand to increase awareness among potential customers, particularly in Chicago and the Midwest. We intend to continue to pursue innovative promotions, including engaging influencers and celebrities to promote our casino and resort's themes and entertainment facilities, and to host special events. We also plan to enhance our advertising activities, including through a variety of social media, print, television, online, outdoor, onsite and other means. In addition, we intend to leverage our relationship with Bally's Corporation to promote our casino and resort through complementary and cost-effective cross-marketing and sales campaigns.

Prudently manage our capital structure

We commenced operations in June 2022, and we intend to develop a capital structure to match and support the on-going ramp-up of our operations. We intend to strengthen our balance sheet by focusing on optimizing our leverage, maintaining a competitive cost of capital and improving balance sheet flexibility. We intend to use all of the net proceeds from this offering, together with the proceeds from the concurrent private placements, the Subordinated Loans and the IPO Expenses Note (as defined herein), to purchase 10,000 LLC Interests directly from Bally's Chicago OpCo at a price per unit equal to the stated value of $25,000 per Class A Interest, which is equal to the amount paid by investors in this offering plus the corresponding amount of Subordinated Loans attributable to each Class A Interest.

Bally's Chicago OpCo intends to use the proceeds it receives from the sale of LLC Interests to Bally's Chicago, Inc. to repay $250.0 million outstanding aggregate amount under the Pre-IPO Intercompany Notes (as defined herein).

In turn, we believe we will be sufficiently capitalized through the fourth quarter of 2027. We intend to prudently manage our capital structure as we continue to grow our operations.

Our Relationship with Bally's Corporation

Permanent Services Agreement

We intend to benefit from Bally's Corporation's significant experience and knowledge in the U.S. gaming market. In January 2023, Bally's Chicago OpCo and certain subsidiaries of Bally's Corporation entered into a services agreement (the "Permanent Services Agreement") with Bally's Management Group, LLC (f/k/a Twin River Management Group, Inc.) ("BMG"), a subsidiary of Bally's Corporation. Pursuant to the Permanent Services Agreement, BMG agreed to provide us and certain subsidiaries of Bally's Corporation with general business support services, including services relating to external reporting obligations, internal audit, regulatory filings, design and construction, business development, human resources, tax, accounting, treasury and capital related, risk management, legal, finance and marketing upon the opening of our permanent casino and resort. Pursuant to the Permanent Services Agreement, we agreed to pay BMG an annual fee equal to the salaries, burden, overhead and other operating costs for providing such services based on our share of those costs calculated by reference to an appropriate common-size metric plus 6%, which fee may be reviewed and adjusted by the parties from time to time to reflect current market rates for such services and as required by the U.S. Internal Revenue Code of 1986, as amended (the "Code"). The initial term of the agreement is one year, beginning upon the opening of our permanent casino and resort, and will be automatically renewed for successive one-year terms, unless either party serves on

the other a written notice of termination. We believe the support provided by Bally's Corporation increases

our competitive advantage and will contribute to the success of our business. See "*Transactions with Related Persons — Permanent Services Agreement.*"

Temporary Services Agreement

In August 2023, Bally's Chicago OpCo entered into a services agreement (the "Temporary Services Agreement") with BMG, a subsidiary of Bally's Corporation. Pursuant to the Temporary Services Agreement, BMG agreed to provide us with general business support services, including services relating to external reporting obligations, internal audit, regulatory filings, design and construction, business development, human resources, tax, accounting, treasury and capital related, risk management, legal, finance and marketing related to our temporary casino. Pursuant to the Temporary Services Agreement, we agreed to pay BMG a monthly fee equal to $5.0 million, which fee may be reviewed and adjusted by the parties from time to time to reflect current market rates for such services and as required by the Code. The initial term of the agreement is two years, beginning August 30, 2023, and will be automatically renewed for successive one-year terms for as long as our temporary casino is licensed to continue operations, unless BMG serves on Bally's Chicago OpCo a written notice of termination. The Temporary Services Agreement shall automatically terminate when our temporary casino permanently closes and our permanent casino and resort opens to the public. See "*Transactions with Related Persons — Temporary Services Agreement.*"

Guarantee of Bally's Corporation's Obligations

We and Bally's Chicago HoldCo, our direct parent and the entity that will hold all of our Class B Interests after the closing of this offering, as well as all other current and future direct unrestricted subsidiaries of Bally's Corporation under its credit facilities and bond indentures, will guarantee Bally's Chicago OpCo's obligations under the GLP Lease Agreement and GLP Development Agreement; *provided*, however, that at such time as Bally's Chicago OpCo becomes a restricted subsidiary under Bally's Corporation's credit facilities and bond indentures, (i) Bally's Corporation (or its Parent Company (as defined in Bally's Corporation's existing master lease agreement with GLP), if any, following a Control Transaction (as defined in the GLP Term Sheet)) will be required to guarantee the GLP Lease Agreement and GLP Development Agreement and (ii) following the delivery of such guarantee, the guarantees of the GLP Lease Agreement and GLP Development Agreement provided by Bally's Chicago HoldCo and such other unrestricted subsidiaries of Bally's Corporation shall terminate.

In connection with Bally's Chicago HoldCo's commitment to guarantee the GLP Lease Agreement and GLP Development Agreement, and in partial consideration for certain investments by Bally's Corporation and its subsidiaries into Bally's Chicago OpCo, we and Bally's Chicago OpCo intend to guarantee all of the obligations, including, without limitation, indebtedness and lease obligations, of Bally's Corporation and its subsidiaries upon Bally's Corporation's (or its Parent Company's (as defined in Bally's Corporation's existing master lease agreement with GLP), if any, following a Control Transaction (as defined in the GLP Term Sheet)) guaranteeing the GLP Lease Agreement and the GLP Development Agreement or upon request from Bally's Corporation; *provided* that, at any time after such guarantee by Bally's Corporation (or its Parent Company) or such request from Bally's Corporation, upon request of Bally's Chicago OpCo, Bally's Corporation will guarantee Bally's Chicago OpCo's obligations under any lease obligations outstanding at such time, including any obligations under the Oak Street Lease Agreement or, if entered into, the GLP Lease Agreement and the GLP Development Agreement, to the maximum extent permitted under the instruments governing Bally's Corporation's indebtedness (assuming full borrowing of all outstanding commitments under Bally's Corporation's revolving credit facilities outstanding at such time). Furthermore, we and Bally's Chicago OpCo intend to enter into an agreement (the "Guarantee Agreement") with Bally's Corporation, pursuant to which, at any time in the future, upon request from Bally's Corporation, we and Bally's Chicago OpCo will guarantee, and cause each of our wholly-owned subsidiaries to guarantee, any additional obligations, including, without limitation, indebtedness and lease obligations that Bally's Corporation or its subsidiaries enter into at any time in the future. See "*Transactions with Related Persons — Guarantee of Bally's Corporation's Obligations.*"

Stockholders Agreement

In connection with this offering and the Transactions, we and Bally's Chicago HoldCo intend to enter into a stockholders agreement (the "Stockholders Agreement"), pursuant to which for so long as Bally's

Chicago HoldCo beneficially owns at least 50% of the aggregate number of our stock outstanding, certain actions by us or any of our subsidiaries, including Bally's Chicago OpCo, will require the prior written consent of Bally's Chicago HoldCo. The actions that will require prior written consent include: (i) change in control transactions of our company or any of our subsidiaries, including Bally's Chicago OpCo, (ii) acquiring or disposing of assets or any business enterprise or division thereof for consideration in excess of $50.0 million in any single transaction or series of transactions, (iii) increasing or decreasing the size of our board of directors, (iv) initiating any liquidation, dissolution, bankruptcy, or other insolvency proceeding involving us or any of our subsidiaries, including Bally's Chicago OpCo, and (v) any transfer, issue, sale, or disposition by us of any shares of stock, other equity securities, equity-linked securities, or securities that are convertible into equity securities of us or our subsidiaries to any person or entity that is a non-strategic financial investor in a private placement transaction or series of transactions.

Support Letter

In January 2025, we obtained a letter of support from Bally's Corporation, pursuant to which Bally's Corporation commits to fund all of our operating, investing, and financing activities through at least December 31, 2026 and further commits not to make any decision or action that would reasonably be expected to negatively affect our ability to continue as a going concern through at least December 31, 2026.

Other

In the event that less than $250 million in aggregate amount of gross proceeds from Class A Interests and corresponding Subordinated Loans are received in this offering and the concurrent private placement transactions, Bally's Corporation intends to cause Bally's Chicago HoldCo to provide additional funding to us in an amount equal to such shortfall. The funding may be provided through the purchase by Bally's Chicago HoldCo of Class A Interests in this offering or the concurrent private placements or through the issuance by us of additional debt, equity, equity-linked securities or intercompany notes to Bally's Corporation, Bally's Chicago HoldCo or their affiliates, or other methods.

Additionally, as a result of any such shortfall in funding, we may need to raise additional capital in the future to fund our operations and pursue our business objectives. We may seek to raise additional funds through various sources, including equity offerings, debt financings, collaborations, strategic alliances and/or licensing arrangements. We cannot assure you that we will be able to obtain additional funds on acceptable terms, or at all. If we raise additional funds by issuing equity or equity-linked securities, our stockholders may experience dilution. Debt financing, if available, may involve restrictive covenants. If we raise funds through collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our intellectual property and/or future revenue streams, or grant licenses on terms that may not be favorable to us. Furthermore, if Bally's Chicago HoldCo purchases Class A Interests in this offering or the concurrent private placements, we may pursue a secondary public offering of such Class A Interests in the future.

Our Relationship with Chicago

We are designing, developing and constructing a world-class entertainment destination resort in partnership with the City of Chicago. In connection with this partnership, we have entered into various agreements and development programs as set forth below.

Host Community Agreement with the City of Chicago

On June 9, 2022, we signed a host community agreement with the City of Chicago to develop our destination casino and resort in downtown Chicago (the "Host Community Agreement"). The Host Community Agreement provides us with the exclusive right to operate a permanent casino and a temporary casino for up to three years while our permanent casino and resort is constructed.

Pursuant to the Host Community Agreement, our permanent casino and resort is being designed to feature:

- approximately 150 permanent gaming tables, including 20 poker tables;

- in-person and mobile sports wagering facilities;
- a 5-star quality high-end luxury hotel with 100 rooms initially, as well as amenities such as a rooftop bar, a fitness center, subject to expansion to up to 500 rooms within approximately five years of the opening of our permanent casino and resort;
- approximately 65,000 square feet of entertainment and event space, including a flexible theater space with approximately 2.4 acres of greenspace that can be used to host outdoor events;
- six restaurants/cafes and a food hall, including a three-meal diner with capacity for approximately 150 seats, a Bally's Sports Bar with capacity for approximately 200 seats, a food hall with capacity for approximately 175 seats, an Asian restaurant with capacity for approximately 50 seats, a steakhouse with capacity for approximately 150 seats, an Italian restaurant with capacity for approximately 200 seats and a grab-and-go coffee bar with capacity for approximately 20 seats;
- four bars and lounges, including a casino bar, a cocktail lounge with capacity for over 50 seats, a VIP lounge with capacity for over 60 seats and a rooftop bar with capacity for over 100 seats (including two hidden speakeasies that patrons can visit);
- approximately 3,000 square feet of ancillary retail space, including sundries and souvenir shops;
- a garage or parking facility with approximately 3,300 parking spaces, including approximately 2,200 patron spaces, approximately 600 employee spaces and approximately 500 valet spaces;
- a visitor center for tourists and business travelers visiting Chicago, including a concierge service operated in coordination with Choose Chicago, a nonprofit organization that specializes in Chicago travel options; and
- an approximately 23,000 square foot museum, with exhibits presenting Chicago sports and history and other rotating exhibitions.

In furtherance of these obligations, the Host Community Agreement establishes a minimum capital investment of $1.34 billion on the design, construction and equipping of our temporary casino and our permanent casino and resort. As of September 30, 2024, approximately $1.10 billion of this commitment remains. The actual cost of the development may exceed this minimum capital investment amount. In addition, land acquisition costs and financing costs, among other types of costs, are not counted toward meeting this minimum capital investment amount.

Additionally, as part of the design, development and construction of our temporary casino and our permanent casino and resort, the Host Community Agreement requires us to employ approximately:

- 2,900 individuals in the construction of our temporary casino;
- 3,000 individuals in the construction of our permanent casino and resort; and
- 2,500 individuals in the construction of the hotel tower.

Once operational, the Host Community Agreement requires us to employ:

- approximately 550 individuals in our temporary casino; and
- approximately 3,000 individuals in our permanent casino and resort.

In connection with the entry into the Host Community Agreement with the City of Chicago, we were required to make a one-time payment to the City of Chicago equal to $40.0 million, and are required to make ongoing payments of $4.0 million per year beginning on September 9, 2023, the date that our temporary casino opened to the general public. Additionally, in connection with the Host Community Agreement, Bally's Corporation was required to provide the City of Chicago with a guaranty whereby the Company is required to have and maintain available financial resources in an amount reasonably sufficient to fund all amounts necessary to allow us to meet our obligations under the Host Community Agreement and, to the extent we fail to perform any obligations thereunder, assume full responsibility for and perform our obligations in accordance with the terms, covenants and conditions set forth in the Host Community

Agreement. The guaranty also required that we indemnify and hold the City of Chicago harmless from and against any and

all loss, cost, damage, injury, liability, claim or reasonable and documented expense the City of Chicago may suffer or incur by reason of any nonpayment or nonperformance of any of our obligations.

The Illinois Gambling Act requires that, as an applicant for an owner's license to operate the casino, we provide evidence of our best efforts to attain certain ownership goals and that the Illinois Gaming Board take our ownership into account when determining whether to grant that license. Consistent with that requirement, our Host Community Agreement with the City of Chicago requires that 25% of Bally's Chicago OpCo's equity must be owned by persons that have satisfied the Class A Qualification Criteria. The Class A Qualification Criteria include, among other criteria, that the person:

- if an individual, must be a woman;
- if an individual, must be a Minority, as defined by MCC 2-92-670(n) (see below); or
- if an entity, must be controlled by women or Minorities.

MCC 2-92-670(n), in turn, defines Minority as:

- any individual in the following racial or ethnic groups:
  - African-Americans or Blacks (including persons having origins in any of the Black racial groups of Africa);
  - American Indians (including persons having origins in any of the original peoples of North and South America (including Central America) and who maintain tribal affiliation or community attachment);
  - Asian-Americans (including persons whose origins are in any of the original peoples of the Far East, Southeast Asia, the islands of the Pacific or the Northern Marianas or the Indian Subcontinent);
  - Hispanics (including persons of Spanish culture with origins in Mexico, South or Central America or the Caribbean Islands, regardless of race); and
- individual members of other groups, including but not limited to Arab-Americans, found by the City of Chicago to be socially disadvantaged by having suffered racial or ethnic prejudice or cultural bias within American society, without regard to individual qualities, resulting in decreased opportunities to compete in Chicago area markets or to do business with the City of Chicago. Qualification under this clause is determined on a case-by-case basis and there is no exhaustive or definitive list of groups or individuals that the City of Chicago has determined to qualify as Minority under this clause. However, in the event the City of Chicago identifies any additional groups or individuals as falling under this clause in the future, members of such groups would satisfy the Class A Qualification Criteria.

If there are any changes to the groups included in MCC 2-92-670(n), and consequently to the Class A Qualification Criteria, prior to the closing of this offering, we will communicate such changes by filing an amendment to this prospectus with the SEC.

In addition, the Host Community Agreement requires that 40% of seats on our board of directors (our "Board") be reserved for Minorities or women.

The Host Community Agreement provides that in the event that 75% of the gaming area of our permanent casino and resort is not open to the general public by September 10, 2026 (the "Completion Deadline"), subject to any extensions as a result of Force Majeure Periods (as defined in the Host Community Agreement), we must pay the City of Chicago an amount, calculated on a daily basis, equal to the product of (i) 85% of the projected local tax revenue multiplied by (ii) the number of days since the Completion Deadline, until 75% of the gaming area of our permanent casino and resort opens to the general public; *provided* that any local tax revenue actually received for such period shall not subtracted from any amounts due to the City of Chicago.

In addition, the Host Community Agreement also provides that in the event that 90%, taken as a whole,

of our permanent casino and resort is not completed (as evidenced by the issuance of a temporary

certificate of occupancy by the City of Chicago's Department of Buildings) by the Completion Deadline, subject to any extensions as a result of Force Majeure Periods (as defined in the Host Community Agreement), we must pay the City of Chicago an amount, calculated on a daily basis, equal to the product of (i) 10% of the projected local tax revenue multiplied by (ii) the number of days since the Completion Deadline, until 90%, taken as a whole, of our permanent casino and resort is completed (as evidenced by the issuance of a temporary certificate of occupancy by the City of Chicago's Department of Buildings).

If we show we timely commenced and have been diligently pursuing the construction of our permanent casino and resort, the City of Chicago may consent up to two three-month extensions of the Completion Deadline, followed by one two-month extension of the Completion Deadline, for a possible total extension of eight months. The first extension shall be consented to automatically by the City of Chicago and any subsequent consent shall not be unreasonably withheld, conditioned or delayed.

Gaming License

In order to operate our casino and resort, we will be required to obtain and hold licenses issued by the Illinois Gaming Board. The Host Community Agreement provides us with the exclusive recommendation for licensing to the Illinois Gaming Board for the City of Chicago casino license. On October 26, 2023, we obtained a four-year owners license from the Illinois Gaming Board. This license will expire on October 25, 2027 and may be renewed for subsequent four-year terms. The license issued to casino operators is referred to as an "owners license" and is issued by the Illinois Gaming Board for a period of up to four years. The owners license may then be renewed for subsequent four-year terms. On October 26, 2023, the Illinois Gaming Board also approved extending the operation of our temporary casino until September 9, 2026. The fee for the issuance or renewal of the owners license is $250,000. The license obligates the recipient to adhere to the standards and requirements set forth in the Illinois Gaming Act and the Illinois Gaming Board Rules. The Illinois Gaming Board has the authority to limit the term of the license at issuance or any renewal and may dictate additional restrictions upon the license.

Community Investment Program

We have agreed with the City of Chicago that we will commit to hiring residents of Chicago with various workforce development organizations in both the construction of our temporary casino and our permanent casino and resort, but also with respect to employment once our casinos are operational.

We are committed to the following hiring targets:

- we are required to provide preference to Chicago-based businesses, if possible;
- in the hiring of contractors for the construction of our temporary casino and our permanent casino and resort:
  - a minimum of 36% of funds need to go towards Minority-owned businesses;
  - a minimum of 10% of funds need to go towards women-owned businesses;
- in the hiring of workers to build our temporary casino and our permanent casino and resort:
  - a minimum of 50% of total hours on our permanent casino and resort must be performed by Chicago residents;
  - a minimum of 15.5% of construction work must be performed by residents of socially and economically disadvantaged areas;
- in the sourcing of goods and services and other vendor spending in connection with our temporary casino and our permanent casino and resort:
  - a minimum of 26% of funds need to go towards Minority-owned businesses;
  - a minimum of 10% of funds need to go towards women-owned businesses;
  - a minimum of 2% of funds need to go towards disadvantaged businesses, including businesses

by owners that have historically been disadvantaged; and

  - a minimum of 3% of funds need to go towards veteran- or service-disabled veteran-owned businesses; and
- a target goal of 60% Minority hiring in the operation of our casino.

Under the community investment program, we intend on reducing the disparities that exist in the initial procurement process of goods and services by requiring that all contracts and bids in excess of $10,000 be issued via a competitive bidding process. Additionally, we intend to list all employment and procurement opportunities on our website. We intend on hosting an annual diversity vendor fair on the premises of our permanent casino and resort, and intend on hiring a third-party expert in sourcing and contracting vendors to leverage their network of vendors, suppliers and individuals seeking jobs to push notifications, recruit bidders and support us in the process.

We have also agreed with the City of Chicago that we will commit to providing training opportunities for various roles in our casino and resort, including for table game dealers and F&B workers, and work to set up job fairs in order to attract potential applicants to employment opportunities in our casino and resort.

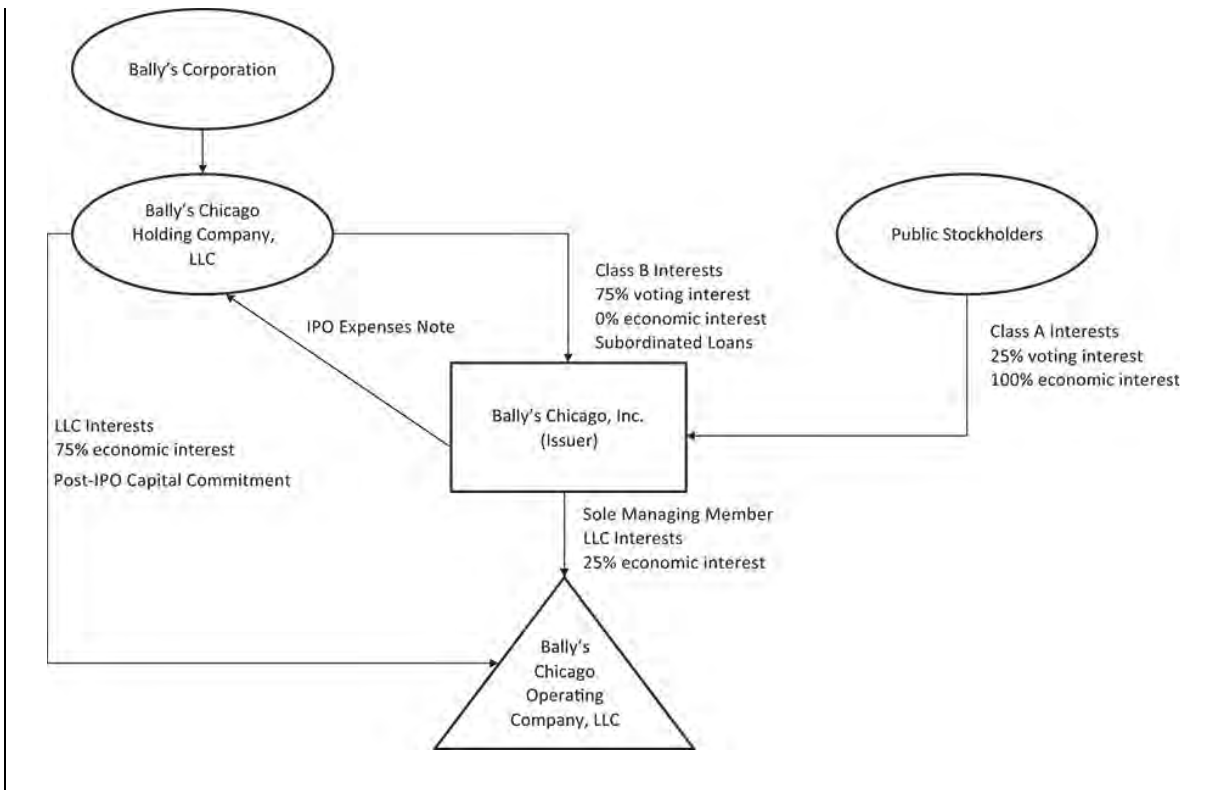
Our Community First Programs

As a member of the Bally's organization, we intend to adhere to the Bally's community-first policy, which is a fundamental and defining element of who we are as a company. We intend to build strong, lasting partnerships with local residents and businesses in Chicago.

As part of our community-first policy, we intend to implement programs to provide individuals with gaming addiction with support services, both offsite and onsite, including treatment of compulsive behavior disorders. We also intend to take extraordinary precautions to ensure that minors are prohibited from participating in any of the gaming activities at our casino and resort. Additionally, we intend to take precautions to ensure that our marketing practices do not disproportionately target disadvantaged communities, and will work to provide best-in-class social programs geared towards addressing gambling addiction throughout the Chicago area.

Corporate Structure

The below depicts our organizational structure upon the closing of this offering and the concurrent private placements and the consummation of the Transactions.


Bally's Corporation
Bally's Chicago Holding Company, LLC
Public Stockholders
Class B Interests
75% voting interest
0% economic interest
Subordinated Loans
IPO Expenses Note
Class A Interests
25% voting interest
100% economic interest
Bally's Chicago, Inc. (Issuer)
LLC Interests
75% economic interest
Post-IPO Capital Commitment
Sole Managing Member
LLC Interests
25% economic interest
Bally's Chicago Operating Company, LLC

Conflicts of Interest

Services Agreements

Bally's Chicago OpCo and certain subsidiaries of Bally's Corporation entered into the Permanent Services Agreement and the Temporary Services Agreement with BMG, a subsidiary of Bally's Corporation, in January 2023 and in August 2023, respectively. See "*— Our Relationship with Bally's Corporation,*" "*Transactions with Related Persons — Permanent Services Agreement*" and "*Transactions with Related Persons — Temporary Services Agreement*" for more information.

Other Conflicts of Interest

We are currently dependent on Bally's for a majority of our working capital and financing requirements. As of September 30, 2024, we and Bally's Chicago OpCo owe $631.0 million in promissory notes (the "Pre-IPO Intercompany Notes") to Bally's and various of its subsidiaries. The Pre-IPO Intercompany Notes have borne and bear interest at a rate equal to 0.0% per annum and are scheduled to mature on December 31, 2025, but all portions that remain outstanding are expected to be extinguished and contribute towards Bally's commitment to purchase 30,000 LLC Interests for $750.0 million representing 75.0% of the economic interest in Bally's Chicago OpCo.

Prior to the closing of this offering, Bally's Chicago HoldCo will assign to Bally's Chicago Inc. $ of Pre-IPO Intercompany Notes owed to it by Bally's Chicago, Inc. and $ of Pre-IPO Intercompany Notes owed to it by Bally's Chicago OpCo as a capital contribution (the "Pre-IPO Capital Contribution"). The amount of the Pre-IPO Capital Contribution will equal the aggregate amount of Subordinated Loans that we will enter into based on the amount of the various classes of Class A Interests sold in this offering and the concurrent private placements.

In connection with the closing of this offering, we intend to pay the placement agent fees and offering and private placement expenses payable by us with the proceeds we receive from Class A investors in this offering and the concurrent private placements. In turn, we intend to issue Bally's Chicago OpCo a promissory note (the "IPO Expenses Note") in an amount equal to $, which is equal to the placement agent fees and offering and private placement expenses payable by us, to cover the difference in the amount we will owe Bally's Chicago OpCo in connection with the purchase of the LLC Interests. Bally's Chicago OpCo intends to assign the IPO Expenses Note to Bally's Chicago HoldCo in exchange for the cancellation of certain indebtedness owed by Bally's Chicago OpCo to Bally's Chicago HoldCo. The IPO Expenses Note will bear interest at a rate equal to 11.0% per annum and will mature on .

We intend to use all of the net proceeds from this offering, together with the proceeds from the concurrent private placements, the Subordinated Loans and the IPO Expenses Note, to purchase 10,000 LLC Interests directly from Bally's Chicago OpCo at a price per unit equal to the stated value of $25,000 per Class A Interest, which is equal to the amount paid by investors in this offering plus the corresponding amount of Subordinated Loans attributable to each Class A Interest. The 10,000 LLC Interests we purchase will represent 25.0% of the economic interest in Bally's Chicago OpCo and the Class A Interests will represent 25.0% of the voting power and 100.0% of the economic interest in Bally's Chicago, Inc.

Bally's Chicago OpCo intends to use the proceeds it receives from the sale of LLC Interests to us to repay $250.0 million outstanding aggregate amount under the Pre-IPO Intercompany Notes. In addition, Bally's Chicago OpCo intends to issue 30,000 LLC Interests to Bally's Chicago HoldCo, at a price per LLC Interest equal to the stated value of $25,000 per Class A Interest, which is equal to the amount paid by investors in this offering plus the corresponding amount of Subordinated Loans attributable to each Class A Interest, in satisfaction of $ of indebtedness under the Pre-IPO Intercompany Notes (the "Intercompany Notes Cancellation") and the commitment by Bally's Chicago HoldCo to provide to Bally's Chicago OpCo up to $ in additional funding (the "Post-IPO Capital Commitment"). Upon the closing of this offering, we intend to effect the Common Stock Reclassification (as defined herein) and issue an additional 29,900 Class B Interests to Bally's Chicago HoldCo at $0.001 per Class B Interest. The 30,000 LLC Interests issued by Bally's Chicago OpCo to Bally's Chicago HoldCo from the Intercompany Notes

Cancellation and the Post-IPO Capital Commitment, will represent 75.0% of the economic interest in

Bally's Chicago OpCo and the 30,000 Class B Interests that will be held by Bally's Chicago HoldCo will represent 75.0% of the voting power and no economic interest in Bally's Chicago, Inc.

No compensation of any kind, including finder's and consulting fees, will be paid by us to Bally's officers and directors, or any of their respective affiliates, for services rendered prior to or in connection with the closing of this offering. However, these individuals will be reimbursed for any out-of-pocket expenses incurred in connection with their work on this offering.

Guarantee of Bally's Corporation's Obligations

We and Bally's Chicago HoldCo, our direct parent and the entity that will hold all of our Class B Interests after the closing of this offering, as well as all other current and future direct unrestricted subsidiaries of Bally's Corporation under its credit facilities and bond indentures, will guarantee Bally's Chicago OpCo's obligations under the GLP Lease Agreement and GLP Development Agreement; *provided*, however, that at such time as Bally's Chicago OpCo becomes a restricted subsidiary under Bally's Corporation's credit facilities and bond indentures, (i) Bally's Corporation (or its Parent Company (as defined in Bally's Corporation's existing master lease agreement with GLP), if any, following a Control Transaction (as defined in the GLP Term Sheet)) will be required to guarantee the GLP Lease Agreement and GLP Development Agreement and (ii) following the delivery of such guarantee, the guarantees of the GLP Lease Agreement and GLP Development Agreement provided by Bally's Chicago HoldCo and such other unrestricted subsidiaries of Bally's Corporation shall terminate.

In connection with Bally's Chicago HoldCo's commitment to guarantee the GLP Lease Agreement and GLP Development Agreement, and in partial consideration for certain investments by Bally's Corporation and its subsidiaries into Bally's Chicago OpCo, we and Bally's Chicago OpCo intend to guarantee all obligations, including, without limitation, indebtedness and lease obligations of Bally's Corporation and its subsidiaries upon Bally's Corporation's (or its Parent Company's (as defined in Bally's Corporation's existing master lease agreement with GLP), if any, following a Control Transaction (as defined in the GLP Term Sheet)) guaranteeing the GLP Lease Agreement and the GLP Development Agreement or upon request from Bally's Corporation; *provided* that, at any time after such guarantee by Bally's Corporation (or its Parent Company) or such request from Bally's Corporation, upon request of Bally's Chicago OpCo, Bally's Corporation will guarantee Bally's Chicago OpCo's obligations under any lease obligations outstanding at such time, including any obligations under the Oak Street Lease Agreement or, if entered into, the GLP Lease Agreement and the GLP Development Agreement, to the maximum extent permitted under the instruments governing Bally's Corporation's indebtedness (assuming full borrowing of all outstanding commitments under Bally's Corporation's revolving credit facilities outstanding at such time). Furthermore, we and Bally's Chicago OpCo intend to enter into the Guarantee Agreement with Bally's Corporation, pursuant to which, at any time in the future, upon request from Bally's Corporation, we and Bally's Chicago OpCo will guarantee, and cause each of our wholly-owned subsidiaries to guarantee, any additional obligations, including, without limitation, indebtedness and lease obligations that Bally's Corporation or its subsidiaries enter into at any time in the future. See "*Transactions with Related Persons — Guarantee of Bally's Corporation's Obligations.*"

Bally's Chicago OpCo Amended and Restated Limited Liability Company Agreement

As a result of this offering and the concurrent private placements, Bally's Chicago, Inc. will hold LLC Interests in Bally's Chicago OpCo and will be the sole managing member of Bally's Chicago OpCo. Accordingly, Bally's Chicago, Inc. will have the obligation to absorb losses and receive benefits from Bally's Chicago OpCo, and consolidate the financial results of Bally's Chicago OpCo and, through Bally's Chicago OpCo and its operating entity subsidiaries, conduct our business.

Pursuant to the amended and restated limited liability company agreement of Bally's Chicago OpCo as it will be in effect at the time of this offering, Bally's Chicago, Inc. will have the right to determine when distributions will be made to holders of LLC Interests and the amount of any such distributions, taken into consideration any applicable limitations and restrictions. See "*Dividend Policy.*" If a distribution is authorized, such distribution will be made to the holders of LLC Interests pro rata in accordance with the percentages of their respective LLC Interests held. See "*Transactions with Related Persons — Bally's Chicago OpCo Amended and Restated Limited Liability Company Agreement.*"

Stockholders Agreement

In connection with this offering and the Transactions, we and Bally's Chicago HoldCo intend to enter into the Stockholders Agreement, pursuant to which for so long as Bally's Chicago HoldCo beneficially owns at least 50% of the aggregate number of our stock outstanding, certain actions by us or any of our subsidiaries, including Bally's Chicago OpCo, will require the prior written consent of Bally's Chicago HoldCo. See "*— Our Relationship with Bally's Corporation*" and "*Transactions with Related Persons — Stockholders Agreement*" for more information.

Support Letter

In January 2025, we obtained a letter of support from Bally's Corporation, pursuant to which Bally's Corporation commits to fund all of our operating, investing, and financing activities through at least December 31, 2026 and further commits not to make any decision or action that would reasonably be expected to negatively affect our ability to continue as a going concern through at least December 31, 2026.

Other

In the event that less than $250 million in aggregate amount of gross proceeds from Class A Interests and corresponding Subordinated Loans are received in this offering and the concurrent private placement transactions, Bally's Corporation intends to cause Bally's Chicago HoldCo to provide additional funding to us in an amount equal to such shortfall. The funding may be provided through the purchase by Bally's Chicago HoldCo of Class A Interests in this offering or the concurrent private placements or through the issuance by us of additional debt, equity, equity-linked securities or intercompany notes to Bally's Corporation, Bally's Chicago HoldCo or their affiliates, or other methods.

Additionally, as a result of any such shortfall in funding, we may need to raise additional capital in the future to fund our operations and pursue our business objectives. We may seek to raise additional funds through various sources, including equity offerings, debt financings, collaborations, strategic alliances and/or licensing arrangements. We cannot assure you that we will be able to obtain additional funds on acceptable terms, or at all. If we raise additional funds by issuing equity or equity-linked securities, our stockholders may experience dilution. Debt financing, if available, may involve restrictive covenants. If we raise funds through collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our intellectual property and/or future revenue streams, or grant licenses on terms that may not be favorable to us. Furthermore, if Bally's Chicago HoldCo purchases Class A Interests in this offering or the concurrent private placements, we may pursue a secondary public offering of such Class A Interests in the future.

Distributions and Repayment of Subordinated Loans

Upon the closing of this offering and the concurrent private placements and the consummation of the Transactions, we will be a holding company, and our principal asset will be the LLC Interests we purchase from Bally's Chicago OpCo. If we decide to make a distribution in the future, we would need to cause Bally's Chicago OpCo to make distributions to us in an amount sufficient to cover the repayment of the IPO Expense Note, future borrowings plus such distribution. If Bally's Chicago OpCo makes such distributions to us, the other holders of LLC Interests will be entitled to receive pro rata distributions.

In addition, Bally's Chicago OpCo will report as a partnership for U.S. federal income tax purposes and, as such, generally will not be subject to any entity-level U.S. federal income tax. Instead, any taxable income of Bally's Chicago OpCo will be allocated to holders of LLC Interests, including us. Accordingly, we will incur income taxes on our allocable share of any net taxable income of Bally's Chicago OpCo. Under the terms of the Bally's Chicago OpCo LLC Agreement, Bally's Chicago OpCo will be obligated to make tax distributions to holders of LLC Interests, including us, to the extent it has distributable cash. In addition to tax expenses, we will also incur expenses related to our operations, which we expect could be significant. We intend, as its managing member, to cause Bally's Chicago OpCo to make cash distributions to the owners of LLC Interests in an amount sufficient to (1) fund all or part of their tax obligations in respect of taxable income allocated to them and (2) cover our operating expenses. However, Bally's Chicago OpCo's ability to make such distributions may be subject to various limitations and restrictions, such as restrictions

on distributions that would either violate any contract or agreement to which Bally's Chicago OpCo is then a party, including any debt or financing agreements, or any applicable law, or that would have the effect of rendering Bally's Chicago OpCo insolvent. If we do not have sufficient funds to pay tax or other liabilities or to fund our operations, we may have to borrow funds, including potentially from Bally's and its affiliates if available, which could materially adversely affect our liquidity and financial condition and subject us to various restrictions imposed by any such lenders. See "*Risk Factors — Risks related to our organizational structure — Our principal asset after the completion of this offering and the concurrent private placements will be our interest in Bally's Chicago OpCo, and, as a result, we will depend on distributions from Bally's Chicago OpCo to pay our taxes and expenses. Bally's Chicago OpCo's ability to make such distributions may be subject to various limitations and restrictions.*"

Furthermore, we intend, as its managing member, to cause Bally's Chicago OpCo to make distributions of OpCo cash available for distribution on a quarterly basis. We define *OpCo cash available for distribution* as earnings or loss before interest, taxes, depreciation and amortization, non-cash stock-based compensation, gain or loss on asset disposals or impairment, and certain other unusual or non-cash income and expense items such as gains or losses on settlement of liabilities and exchanges, and changes in the fair value of derivatives, if applicable, less payments made on senior indebtedness, capital expenditures, cash taxes, rent without duplication and changes in working capital and cash used for acquisitions and dispositions. We do not expect any such distributions until after the permanent casino and resort is fully operational and generates cash flow.

In turn, we intend to distribute cash available for distribution to the holders of our Class A Interests (subject to certain requirements discussed below). Holders of our Class B Interests will not be entitled to participate in distributions declared by our Board. We define *cash available for distribution* as earnings or loss before interest, taxes, depreciation and amortization, non-cash stock-based compensation, gain or loss on asset disposals or impairment, and certain other unusual or non-cash income and expense items such as gains or losses on settlement of liabilities and exchanges, and changes in the fair value of derivatives, if applicable, *less* payments made on senior indebtedness, capital expenditures, cash taxes, rent without duplication and changes in working capital and cash used for acquisitions and dispositions. Cash that is distributed to holders of our Class A Interests will be distributed pro rata according to the number of Class A-1 Interests, Class A-2 Interests, Class A-3 Interests and Class A-4 Interests outstanding at the time of such distribution.

Given the capital intensity of developing, constructing, opening and operating a casino resort project of this scale, we currently expect that Bally's Chicago OpCo will not have any OpCo cash available for distribution until approximately three to five years after our permanent casino and resort begins operations. However, this may fluctuate depending on Bally's Chicago OpCo's ability to generate cash from operations and its cash flow needs, which, among other things, may be impacted by debt service payments on its senior indebtedness, capital expenditures, potential expansion opportunities and the availability of financing alternatives, the need to service any future indebtedness or other liquidity needs and general industry and business conditions, including the pace of the construction and development of our permanent casino and resort in Chicago. Pursuant to the terms of our amended and restated certificate of incorporation to be in effect prior to the closing of this offering, so long as there are Subordinated Loans outstanding that are attributable to each of our various Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, any cash available for distribution that would otherwise be paid to holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, as applicable, will be required to be used for the repayment of principal and accrued interest on the corresponding Subordinated Loans owed by us. The Subordinated Loans will bear interest at a rate equal to 11.0% per annum, compounding quarterly, will be pre-payable at any time without a premium or penalty at a prepayment price equal to the principal amount thereof plus accrued interest, and will have no maturity date. See "*Subordinated Loans*" for more information on the Subordinated Loans.

If the principal and interest of any of the Subordinated Loans have been paid in full, by distributions from Bally's Chicago OpCo or any other means, we intend to distribute to holders of the corresponding Class A Interests with respect to any such Subordinated Loan an amount equal to 100% of the applicable distribution specified above in the form of a direct cash dividend.

While we intend, as its managing member, to cause Bally's Chicago OpCo to make distributions on a quarterly basis once it is able to generate OpCo cash available for distribution approximately three to five

years after our permanent casino and resort begins operations, we and Bally's Chicago OpCo have not adopted a formal written dividend or distribution policy to pay a fixed amount of cash regularly or to pay any particular amount based on the achievement of, or derivable from, any specific financial metrics, including OpCo cash available for distribution. Further, we and Bally's Chicago OpCo are not contractually obligated to pay any dividends or make any distributions and do not have any required minimum quarterly dividend or distribution, except for tax-related distributions described above. Our and Bally's Chicago OpCo's distributions may vary from quarter to quarter, may be significantly reduced or may be eliminated entirely. While we and Bally's Chicago OpCo intend to make distributions equal to 100% of the cash available for distribution and OpCo cash available for distribution, respectively, on a quarterly basis, the actual amount of any distributions may fluctuate depending on our and Bally's Chicago OpCo's ability to generate cash from operations and our and Bally's Chicago OpCo's cash flow needs, which, among other things, may be impacted by debt service payments on our or Bally's Chicago OpCo's senior indebtedness, capital expenditures, potential expansion opportunities and the availability of financing alternatives, the need to service any future indebtedness or other liquidity needs and general industry and business conditions, including the pace of the construction and development of our permanent casino and resort in Chicago. Our Board will have full discretion on how to deploy cash available for distribution, including the payment of dividends. Any debt we or Bally's Chicago OpCo may incur in the future is likely to restrict our and Bally's Chicago OpCo ability to pay dividends or distributions, and such restriction may prohibit us and Bally's Chicago OpCo from making distributions, or reduce the amount of cash available for distribution and OpCo cash available for distribution. In addition, Delaware law imposes requirements that may restrict our ability to pay dividends to holders of our shares. See "*Risk Factors — Risks Related to this Offering and Ownership of our Class A Interests — You may not receive dividends or other distributions on the Class A Interests*" and "*Dividend Policy*."

Illustrative Examples

For illustrative purposes, below are examples of the following:

- how we intend to initially make quarterly distributions of cash available for distributions;
- how the compounding interest will affect the attributable value of the Subordinated Loans depending on the amount of distributions made on a quarterly basis; and
- how, in the event of a sale of Bally's Chicago OpCo, the amount paid in connection with such sale would be distributed per Class A Interest outstanding at the time of such sale.

These illustrative examples are only for purposes of illustrating how the effects of the Subordinated Loans would apply in such specific example. These illustrative examples are not projections, goals or targets. Nothing in these illustrative examples should be regarded as a representation by any person that these are projections, goals or targets. The cash available for distribution that is distributed to holders of our Class A Interests will be distributed pro rata according to the number of Class A-1 Interests, Class A-2 Interests, Class A-3 Interests and Class A-4 Interests outstanding at the time of such distribution. The examples below assume an equal number of Class A-1 Interests, Class A-2 Interests, Class A-3 Interests and Class A-4 Interests outstanding.

Given the capital intensity of developing, constructing, opening and operating a casino resort project of this scale, we currently expect that Bally's Chicago OpCo will not have any OpCo cash available for distribution until approximately three to five years after our permanent casino and resort begins operations. However, this may fluctuate depending on Bally's Chicago OpCo's ability to generate cash from operations and its cash flow needs, which, among other things, may be impacted by debt service payments on Bally's Chicago OpCo's senior indebtedness, capital expenditures, potential expansion opportunities and the availability of financing alternatives, the need to service any future indebtedness or other liquidity needs and general industry and business conditions, including the pace of the construction and development of our permanent casino and resort in Chicago. See "*Risk Factors — Risks Related to this Offering and Ownership of our Class A Interests — You may not receive dividends or other distributions on the Class A Interests*" and "*Dividend Policy*."

The following example illustrates how we intend to initially make quarterly distributions of cash available for distributions once Bally's Chicago OpCo is able to generate OpCo cash available for distribution:

If Bally's Chicago OpCo has $100,000,000 of OpCo cash available for distribution in a year, or $25,000,000 of OpCo cash available for distribution in a quarter, and in turn we have $25,000,000 of cash available for distribution in a year, or $6,250,000 of cash available for distribution in a quarter, we would intend to distribute such cash available for distribution as follows:

Initially, assuming an aggregate number of 10,000 Class A Interests outstanding, distributed as 500 Class A-1 Interests, 1,000 Class A-2 Interests, 1,000 Class A-3 Interests and 7,500 Class A-4 Interests outstanding, when none of the Subordinated Loans have been fully repaid:

- $1,250,000 per year, or $312,500 per quarter, towards the servicing of accrued interest and principal on the Class A-1 Subordinated Loans;
- $2,500,000 per year, or $625,000 per quarter, towards the servicing of accrued interest and principal on the Class A-2 Subordinated Loans;
- $2,500,000 per year, or $625,000 per quarter, towards the servicing of accrued interest and principal on the Class A-3 Subordinated Loans; and
- $18,750,000 per year, or $4,687,500 per quarter, dividend to the holders of our Class A-4 Interests.

Once the Subordinated Loans for a particular class have been fully repaid, such class would receive the same amount as a dividend. Once all Subordinated Loans have been fully repaid, we would distribute the $25,000,000 of cash available for distribution per year, or the $6,250,000 of cash available for distribution per quarter, to all Class A Interests on a pro rata basis as a dividend, which would amount to $2,500 per year per Class A Interest or $625 per quarter per Class A Interest.

The illustrative example above assumes an aggregate number of 10,000 Class A Interests outstanding, distributed as 500 Class A-1 Interests, 1,000 Class A-2 Interests, 1,000 Class A-3 Interests and 7,500 Class A-4 Interests outstanding. However, we cannot guarantee that we will be able to sell such quantities of Class A Interests, whether in the aggregate or for each individual class. Consequently, the outstanding amount of Class A Interests upon completion of this offering may vary significantly from those presented in the example above. In the event that less than $250 million in aggregate amount of gross proceeds from Class A Interests and corresponding Subordinated Loans are received in this offering and the concurrent private placement transactions, Bally's Corporation intends to cause Bally's Chicago HoldCo to provide additional funding to us in an amount equal to such shortfall. The funding may be provided through the purchase by Bally's Chicago HoldCo of Class A Interests in this offering or the concurrent private placements or through the issuance by us of additional debt, equity, equity-linked securities or intercompany notes to Bally's Corporation, Bally's Chicago HoldCo or their affiliates, or other methods. See "— *Support Letter*."

In the event that there are different amounts of Class A-1 Interests, Class A-2 Interests, Class A-3 Interests or Class A-4 Interests outstanding, the cash available for distribution that is distributed to holders of our Class A Interests will be distributed pro rata according to the number of Class A-1 Interests, Class A-2 Interests, Class A-3 Interests and Class A-4 Interests outstanding at the time of such distribution. Under this illustrative example, each 1% increase (decrease) in the number of Class A-1, A-2, A-3 or A-4 Interests outstanding as a percentage of our total outstanding shares, would increase (decrease) the cash available for distribution to such class of Class A Interests by approximately $25,000 on annual basis or $6,250 on a quarterly basis. The following illustrative examples further illustrative how the amounts outstanding per classes would affect distributions:

Assuming an aggregate number of 10,000 Class A Interests outstanding, distributed as 5,000 Class A-1 Interests, 0 Class A-2 Interests, 0 Class A-3 Interests and 5,000 Class A-4 Interests outstanding, when none of the Subordinated Loans have been fully repaid:

- $12,500,000 per year, or $3,125,000 per quarter, towards the servicing of accrued interest and principal on the Class A-1 Subordinated Loans;
- $0 per year, or $0 per quarter, towards the servicing of accrued interest and principal on the Class A-2 Subordinated Loans;

- $0 per year, or $0 per quarter, towards the servicing of accrued interest and principal on the Class A-3 Subordinated Loans; and
- $12,500,000 per year, or $3,125,000 per quarter, dividend to the holders of our Class A-4 Interests.

Assuming an aggregate number of 10,000 Class A Interests outstanding, distributed as 10,000 Class A-1 Interests, 0 Class A-2 Interests, 0 Class A-3 Interests and 0 Class A-4 Interests outstanding, when none of the Subordinated Loans have been fully repaid:

- $25,000,000 per year, or $6,250,000 per quarter, towards the servicing of accrued interest and principal on the Class A-1 Subordinated Loans;
- $0 per year, or $0 per quarter, towards the servicing of accrued interest and principal on the Class A-2 Subordinated Loans;
- $0 per year, or $0 per quarter, towards the servicing of accrued interest and principal on the Class A-3 Subordinated Loans; and
- $0 per year, or $0 per quarter, dividend to the holders of our Class A-4 Interests.

Under both of the scenarios above, once the Subordinated Loans for a particular class have been fully repaid, such class would receive the same amount as a dividend. Once all Subordinated Loans have been fully repaid, we would distribute the $25,000,000 of cash available for distribution per year, or the $6,250,000 of cash available for distribution per quarter, to all Class A Interests on a pro rata basis as a dividend, which would amount to $2,500 per year per Class A Interest or $625 per quarter per Class A Interest.

The following tables include illustrative mathematical examples that illustrate how the compounding interest will affect the attributable value of the Subordinated Loans depending on the amount of distributions made on a quarterly basis. The tables assume an aggregate number of 10,000 Class A Interests outstanding, distributed as 500 Class A-1 Interests, 1,000 Class A-2 Interests, 1,000 Class A-3 Interests and 7,500 Class A-4 Interests outstanding. However, we cannot guarantee that we will be able to sell such quantities of Class A Interests, whether in the aggregate or for each class. Consequently, the outstanding amount of Class A Interests upon completion of this offering may vary.

Class of Interests	Assumed Aggregate Class A Distributions per Year, beginning in Year 3[1]	Balance of corresponding Subordinated Loans Interest as of the Closing of this Offering	Illustrative Mathematical Examples, taking into account compounding interest and assumed distribution amounts: Resulting Balance of Subordinated Loans per corresponding share at the End of Fiscal Year[1][2]							Assumed Payoff date taking into account compounding interest and assumed distribution amounts:
			Year 1[1]	Year 2[1]	Year 3	Year 4	Year 5	Year 6	Year 7	
A-1	$ 0	$24,750	$27,587	$30,749	$34,273	$38,202	$42,581	$47,461	$52,901	N/A
	$25,000,000[3]	Same as above	Same as above	Same as above	$31,668	$32,693	$33,836	$35,109	$36,528	N/A
	$40,000,000[4]	Same as above	Same as above	Same as above	$30,105	$29,388	$28,588	$27,697	$26,704	Year 19
A-2	$ 0	$22,500	$25,079	$27,954	$31,158	$34,729	$38,710	$43,147	$48,092	N/A
	$25,000,000[3]	Same as above	Same as above	Same as above	$28,553	$29,220	$29,965	$30,794	$31,719	N/A
	$40,000,000[4]	Same as above	Same as above	Same as above	$26,990	$25,915	$24,718	$23,383	$21,895	Year 16
A-3	$ 0	$20,000	$22,292	$24,848	$27,696	$30,870	$34,409	$38,353	$42,749	N/A
	$25,000,000[3]	Same as above	Same as above	Same as above	$25,091	$25,362	$25,663	$26,000	$26,375	N/A
	$40,000,000[4]	Same as above	Same as above	Same as above	$23,528	$22,056	$20,416	$18,589	$16,551	Year 12

(1) All assumptions assume no cash distributions until end of the first quarter of Year 3 after our permanent casino and resort begins operations.

(2) The Subordinated Loans will bear interest at a rate equal to 11.0% per annum, compounding quarterly.

(3) This assumed aggregate amount of distributions would result in payments on Subordinated Loans, or

distributions, of approximately $2,500 per Class A Interest per year or $625 per Class A Interest per quarter.

(4) This assumed aggregate amount of distributions would result in payments on Subordinated Loans, or distributions, of approximately $4,000 per Class A Interest per year or $1,000 per Class A Interest per quarter.

Class of Interests	Assumed Aggregate Class A Distributions per Year, beginning in Year 4[1]	Balance of corresponding Subordinated Loans Interest as of the Closing of this Offering	Illustrative Mathematical Examples, taking into account compounding interest and assumed distribution amounts: Resulting Balance of Subordinated Loans per corresponding share at the End of Fiscal Year[1][2]							Assumed Payoff date taking into account compounding interest and assumed distribution amounts:
			Year 1[1]	Year 2[1]	Year 3	Year 4	Year 5	Year 6	Year 7	
A-1	$ 0	$24,750	$27,587	$30,749	$34,273	$38,202	$42,581	$47,461	$52,901	N/A
	$25,000,000[3]	Same as above	Same as above	Same as above	Same as above	$35,597	$37,072	$38,716	$40,549	N/A
	$40,000,000[4]	Same as above	Same as above	Same as above	Same as above	$34,034	$33,767	$33,469	$33,137	Year 32
A-2	$ 0	$22,500	$25,079	$27,954	$31,158	$34,729	$38,710	$43,147	$48,092	N/A
	$25,000,000[3]	Same as above	Same as above	Same as above	Same as above	$32,124	$33,201	$34,402	$35,740	N/A
	$40,000,000[4]	Same as above	Same as above	Same as above	Same as above	$30,561	$29,896	$29,154	$28,328	Year 20
A-3	$ 0	$20,000	$22,292	$24,848	$27,696	$30,870	$34,409	$38,353	$42,749	N/A
	$25,000,000[3]	Same as above	Same as above	Same as above	Same as above	$28,265	$28,900	$29,607	$30,396	N/A
	$40,000,000[4]	Same as above	Same as above	Same as above	Same as above	$26,702	$25,595	$24,360	$22,985	Year 16

(1) All assumptions assume no cash distributions until end of the first quarter of Year 4 after our permanent casino and resort begins operations.

(2) The Subordinated Loans will bear interest at a rate equal to 11.0% per annum, compounding quarterly.

(3) This assumed aggregate amount of distributions would result in payments on Subordinated Loans, or distributions, of approximately $2,500 per Class A Interest per year or $625 per Class A Interest per quarter.

(4) This assumed aggregate amount of distributions would result in payments on Subordinated Loans, or distributions, of approximately $4,000 per Class A Interest per year or $1,000 per Class A Interest per quarter.

Class of Interests	Assumed Aggregate Class A Distributions per Year, beginning in Year 5[1]	Balance of corresponding Subordinated Loans Interest as of the Closing of this Offering	Illustrative Mathematical Examples, taking into account compounding interest and assumed distribution amounts: Resulting Balance of Subordinated Loans per corresponding share at the End of Fiscal Year[1][2]							Assumed Payoff date taking into account compounding interest and assumed distribution amounts:
			Year 1[1]	Year 2[1]	Year 3	Year 4	Year 5	Year 6	Year 7	
A-1	$ 0	$24,750	$27,587	$30,749	$34,273	$38,202	$42,581	$47,461	$52,901	N/A
	$25,000,000[3]	Same as above	Same as above	Same as above	Same as above	Same as above	$39,976	$41,953	$44,156	N/A
	$40,000,000[4]	Same as above	Same as above	Same as above	Same as above	Same as above	$38,413	$38,647	$38,909	N/A
A-2	$ 0	$22,500	$25,079	$27,954	$31,158	$34,729	$38,710	$43,147	$48,092	N/A
	$25,000,000[3]	Same as above	Same as above	Same as above	Same as above	Same as above	$36,105	$37,638	$39,347	N/A
	$40,000,000[4]	Same as above	Same as above	Same as above	Same as above	Same as above	$34,542	$34,333	$34,100	Year 31
A-3	$ 0	$20,000	$22,292	$24,848	$27,696	$30,870	$34,409	$38,353	$42,749	N/A
	$25,000,000[3]	Same as above	Same as above	Same as above	Same as above	Same as above	$31,804	$32,844	$34,003	N/A
	$40,000,000[4]	Same as above	Same as above	Same as above	Same as above	Same as above	$30,241	$29,539	$28,756	Year 21

(1) All assumptions assume no cash distributions until end of the first quarter of Year 5 after our permanent casino and resort begins operations.

(2) The Subordinated Loans will bear interest at a rate equal to 11.0% per annum, compounding quarterly.

(3) This assumed aggregate amount of distributions would result in payments on Subordinated Loans, or distributions, of approximately $2,500 per Class A Interest per year or $625 per Class A Interest per quarter.

(4) This assumed aggregate amount of distributions would result in payments on Subordinated Loans, or

distributions, of approximately $4,000 per Class A Interest per year or $1,000 per Class A Interest per quarter.

The following tables include illustrative mathematical examples that illustrate how, in the event of a sale of Bally's Chicago OpCo at the end of Year 7 after our permanent casino and resort begins operations, the amount paid in connection with such sale would be distributed per share outstanding at the time of such sale, taking into account the illustrative mathematical examples in each of the tables above and assuming an aggregate number of 10,000 Class A Interests outstanding, distributed as 500 Class A-1 Interests, 1,000 Class A-2 Interests, 1,000 Class A-3 Interests and 7,500 Class A-4 Interests outstanding:

Illustrative Mathematical Examples, taking into account assumed total senior indebtedness, compounding interest and assumed distribution amounts beginning Year 3 after our permanent casino and resort begins operations:

Assumed Aggregate Class A Distributions per Year, beginning in Year 3	Assumed Price Paid in Connection with the Sale of the Company(1)	Assumed Total Senior Indebtedness Outstanding of Bally's Chicago OpCo at the Time of the Sale of the Company	Amount Remaining After Payment of Senior Indebtedness Outstanding of Bally's Chicago OpCo	Amount Distributed to Bally's Chicago, Inc.(1)	Average Amount Distributed per Class A-1 Interest(1)	Average Amount Distributed per Class A-2 Interest(1)	Average Amount Distributed per Class A-3 Interest(1)	Average Amount Distributed per Class A-4 Interest(1)
$ 0	$1,200,000,000	$0	$1,200,000,000	$300,000,000	$ 0(2)	$ 0(2)	$ 0(2)	$30,000(2)
$25,000,000	$1,200,000,000	$0	$1,200,000,000	$300,000,000	$ 0(3)	$ 0(3)	$ 3,625(3)	$30,000(3)
$40,000,000	$1,200,000,000	$0	$1,200,000,000	$300,000,000	$3,296(4)	$8,105(4)	$13,449(4)	$30,000(4)

(1) In the event of a sale of Bally's Chicago OpCo, after payment or provision for payment of Bally's Chicago OpCo's debt and liabilities (to the extent required by the terms of the agreements governing such debt and liabilities), including any amounts due under Bally's Chicago OpCo's senior indebtedness, each LLC Interest will be entitled to receive a proportionate interest in the net assets of Bally's Chicago OpCo. In turn, the interests in the net assets of Bally's Chicago OpCo received by Bally's Chicago, Inc. will be used to pay Bally's Chicago, Inc.'s debts and liabilities (to the extent required by the terms of the agreements governing such debt and liabilities), including any amounts under any senior indebtedness. Each Class A Interest will be entitled to receive a proportionate interest in the net assets remaining for distribution to holders of Class A Interests as adjusted for any amount of Subordinated Loans attributable to such class that remained outstanding at the time of the sale of Bally's Chicago OpCo.

(2) The assumed total Class A-1 Subordinated Loans, Class A-2 Subordinated Loans and Class A-3 Subordinated Loans outstanding at the time of the sale of the Company under this illustrative example are $26,450,657, $48,092,104 and $42,748,536, respectively.

(3) The assumed total Class A-1 Subordinated Loans, Class A-2 Subordinated Loans and Class A-3 Subordinated Loans outstanding at the time of the sale of the Company under this illustrative example are $18,263,970, $31,718,730 and $26,375,163, respectively.

(4) The assumed total Class A-1 Subordinated Loans, Class A-2 Subordinated Loans and Class A-3 Subordinated Loans outstanding at the time of the sale of the Company under this illustrative example are $13,351,958, $21,894,706 and $16,551,139, respectively.

Illustrative Mathematical Examples, taking into account assumed total senior indebtedness, compounding interest and assumed distribution amounts beginning Year 4 after our permanent casino and resort begins operations:

Assumed Aggregate Class A Distributions per Year, beginning in Year 4	Assumed Price Paid in Connection with the Sale of the Company(1)	Assumed Total Senior Indebtedness Outstanding of Bally's Chicago OpCo at the Time of the Sale of the Company	Amount Remaining After Payment of Senior Indebtedness Outstanding of Bally's Chicago OpCo	Amount Distributed to Bally's Chicago, Inc.(1)	Average Amount Distributed per Class A-1 Interest(1)	Average Amount Distributed per Class A-2 Interest(1)	Average Amount Distributed per Class A-3 Interest(1)	Average Amount Distributed per Class A-4 Interest(1)
$ 0	$1,200,000,000	$0	$1,200,000,000	$300,000,000	$0(2)	$ 0(2)	$ 0(2)	$30,000(2)
$25,000,000	$1,200,000,000	$0	$1,200,000,000	$300,000,000	$0(3)	$1,672(3)	$7,015(3)	$30,000(3)
$40,000,000	$1,200,000,000	$0	$1,200,000,000	$300,000,000	$0(4)	$1,672(4)	$7,015(4)	$30,000(4)

(1) In the event of a sale of Bally's Chicago OpCo, after payment or provision for payment of Bally's Chicago OpCo's debt and liabilities (to the extent required by the terms of the agreements governing such debt and liabilities), including any amounts due under Bally's Chicago OpCo's senior indebtedness, each LLC Interest will be entitled to receive a proportionate interest in the net assets of

Bally's Chicago OpCo. In turn, the interests in the net assets of Bally's Chicago OpCo received by Bally's Chicago, Inc. will be used to pay Bally's Chicago, Inc.'s debts and liabilities (to the extent required by

the terms of the agreements governing such debt and liabilities), including any amounts under any senior indebtedness. Each Class A Interest will be entitled to receive a proportionate interest in the net assets remaining for distribution to holders of Class A Interests as adjusted for any amount of Subordinated Loans attributable to such class that remained outstanding at the time of the sale of Bally's Chicago OpCo.

(2) The assumed total Class A-1 Subordinated Loans, Class A-2 Subordinated Loans and Class A-3 Subordinated Loans outstanding at the time of the sale of the Company under this illustrative example are $26,450,657, $48,092,104 and $42,748,536, respectively.

(3) The assumed total Class A-1 Subordinated Loans, Class A-2 Subordinated Loans and Class A-3 Subordinated Loans outstanding at the time of the sale of the Company under this illustrative example are $20,274,413, $35,739,616 and $30,396,049, respectively.

(4) The assumed total Class A-1 Subordinated Loans, Class A-2 Subordinated Loans and Class A-3 Subordinated Loans outstanding at the time of the sale of the Company under this illustrative example are $16,568,667, $28,328,124 and $22,984,557, respectively.

Illustrative Mathematical Examples, taking into account assumed total senior indebtedness, compounding interest and assumed distribution amounts beginning Year 5 after our permanent casino and resort begins operations::

Assumed Aggregate Class A Distributions per Year, beginning in Year 5	Assumed Price Paid in Connection with the Sale of the Company[(1)]	Assumed Total Senior Indebtedness Outstanding of Bally's Chicago OpCo at the Time of the Sale of the Company	Amount Remaining After Payment of Senior Indebtedness Outstanding of Bally's Chicago OpCo	Amount Distributed to Bally's Chicago, Inc.[(1)]	Average Amount Distributed per Class A-1 Interest[(1)]	Average Amount Distributed per Class A-2 Interest[(1)]	Average Amount Distributed per Class A-3 Interest[(1)]	Average Amount Distributed per Class A-4 Interest[(1)]
$ 0	$1,200,000,000	$0	$1,200,000,000	$300,000,000	$0[(2)]	$0[(2)]	$ 0[(2)]	$30,000[(2)]
$25,000,000	$1,200,000,000	$0	$1,200,000,000	$300,000,000	$0[(3)]	$0[(3)]	$1,244[(3)]	$30,000[(3)]
$40,000,000	$1,200,000,000	$0	$1,200,000,000	$300,000,000	$0[(4)]	$0[(4)]	$1,244[(4)]	$30,000[(4)]

---

(1) In the event of a sale of Bally's Chicago OpCo, after payment or provision for payment of Bally's Chicago OpCo's debt and liabilities (to the extent required by the terms of the agreements governing such debt and liabilities), including any amounts due under Bally's Chicago OpCo's senior indebtedness, each LLC Interest will be entitled to receive a proportionate interest in the net assets of Bally's Chicago OpCo. In turn, the interests in the net assets of Bally's Chicago OpCo received by Bally's Chicago, Inc. will be used to pay Bally's Chicago, Inc.'s debts and liabilities (to the extent required by the terms of the agreements governing such debt and liabilities), including any amounts under any senior indebtedness. Each Class A Interest will be entitled to receive a proportionate interest in the net assets remaining for distribution to holders of Class A Interests as adjusted for any amount of Subordinated Loans attributable to such class that remained outstanding at the time of the sale of Bally's Chicago OpCo.

(2) The assumed total Class A-1 Subordinated Loans, Class A-2 Subordinated Loans and Class A-3 Subordinated Loans outstanding at the time of the sale of the Company under this illustrative example are $26,450,657, $48,092,104 and $42,748,536, respectively.

(3) The assumed total Class A-1 Subordinated Loans, Class A-2 Subordinated Loans and Class A-3 Subordinated Loans outstanding at the time of the sale of the Company under this illustrative example are $22,078,114, $39,347,018 and $34,003,451, respectively.

(4) The assumed total Class A-1 Subordinated Loans, Class A-2 Subordinated Loans and Class A-3 Subordinated Loans outstanding at the time of the sale of the Company under this illustrative example are $19,454,588, $34,099,966 and $28,756,399, respectively.

Summary of Risk Factors

Our ability to implement our business strategy is subject to numerous risks and uncertainties. We face many risks inherent in our business generally. You should carefully consider all of the information set forth in this prospectus and, in particular, the information under the heading "*Risk Factors*," prior to making an

investment in our Class A Interests. These risks include, among others, the following:

- We are subject to various construction and development risks in connection with our permanent casino and resort in Chicago;
- Any delay between the closing of our temporary casino and the opening of our permanent casino and resort could have a material adverse effect on our financial condition and results of operations;
- The casino, hotel and hospitality industry is capital intensive and we may not be able to finance development, expansion and renovation projects, which could put us at a competitive disadvantage;
- Both our temporary casino site and permanent casino and resort site are leased and could experience risks associated with leased properties, including risks relating to lease termination, inability to obtain satisfactory lease extensions, consents and approvals, charges and our relationship with landlords, which could have a material adverse effect on our business, financial position or results of operations;
- Our proposed lines of business are highly sensitive to reductions in discretionary consumer spending;
- The gaming industry, including retail casinos, iGaming and sports wagering, is highly competitive and increased competition, including through legislative legalization or expansion of gaming by states in or near Illinois or through Native American gaming facilities, could adversely affect our financial results;
- We will be subject to extensive state and local regulation and licensing, and gaming authorities have significant control over our operations, which could have an adverse effect on our business;
- Our business will be subject to a variety of laws in the United States and in Illinois, many of which are unsettled and still developing, and which could subject us to claims or otherwise harm our business. Any change in existing regulations or their interpretation, or the regulatory or prosecutorial climate applicable to the products and services we offer in our temporary casino and intend to offer in our permanent casino and resort, or changes in gaming tax rates, tax rules and regulations or interpretation thereof related to such products and services, could adversely impact our ability to operate our business as currently conducted or as we seek to operate in the future, which could have a material adverse effect on our financial condition and results of operations;
- We will be reliant on effective payment processing services from a limited number of providers;
- Our profitability will be dependent, in part, on return to players;
- We will extend credit to a portion of our customers, and we may not be able to collect gaming receivables from our credit customers;
- Declining popularity of games and changes in device preferences of players could have a negative effect on our business;
- We may invest in or acquire other businesses, and our business may suffer if we are unable to successfully integrate acquired businesses into the Company or otherwise manage the growth associated with multiple acquisitions;
- Our results of operations and financial condition could be adversely affected by the occurrence of natural disasters, such as blizzards, floods, tornadoes, fires, or other catastrophic events, including war, terrorism and public health crises such as the COVID-19 pandemic;
- Failure to comply with the community investment program obligations specified in the Host Community Agreement could have a material adverse effect on our financial condition and results of operations;
- Bally’s interests may conflict with our interests and the interests of the other holders of our stock. Conflicts of interest between Bally’s and us could be resolved in a manner unfavorable to us and the other holders of our stock;
- We rely on information technology and other systems and platforms, and any failures, errors, defects or disruptions in our systems or platforms could diminish our brand and reputation, subject us to

liability, disrupt our business, affect our ability to scale our technical infrastructure and adversely affect our operating results and growth prospects;

- Our business may be harmed from cybersecurity incidents and we may be subject to legal claims if there is loss, disclosure or misappropriation of or access to our customers', business partners' or our own information or other breaches of information security;
- Servicing our indebtedness and funding our other obligations requires a significant amount of cash, and our ability to generate sufficient cash depends on many factors, some of which will be beyond our control;
- Our Class A Interests will not have an active trading market, and you may find it difficult to sell your Class A Interests;
- You may not receive dividends or other distributions on the Class A Interests; and
- Pursuant to the terms of our amended and restated certificate of incorporation to be in effect prior to the closing of this offering, so long as there are Subordinated Loans outstanding that are attributable to each of our various Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, any cash available for distribution that would otherwise be paid to holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, as applicable, will be required to be used for the repayment of principal and accrued interest on the corresponding Subordinated Loans owed by us until such time as such Subordinated Loans are fully paid and discharged, which means you may never directly receive a cash dividend on your Class A-1 Interests, Class A-2 Interests and Class A-3 Interests.

Corporate Information

Our principal executive offices are located at 640 N LaSalle, Suite 460, Chicago, IL 60654, and our telephone number is (401) 475-8474. Our website address is https://casinos.ballys.com/chicago/. The information contained on our website is not being incorporated by reference into this prospectus, and you should not consider information contained on our website to be part of this prospectus.

Our logo and the other "Bally's" trademarks and service marks of Bally's Corporation appearing in this prospectus are the property of BMG, a subsidiary of Bally's Corporation. This prospectus contains additional trade names, trademarks and service marks of other companies. We do not intend our use or display of other companies' trade names, trademarks or service marks to imply relationships with, or endorsement or sponsorship of us by, these other companies. Subsequent use of such trademarks and service marks in this prospectus and prospectus supplements may occur without their respective superscript symbols (TM or SM) in order to facilitate readability and does not constitute a waiver of any rights that might be associated with the respective trademarks or service marks.

Implications of Being an Emerging Growth Company and a Smaller Reporting Company

We qualify as an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). An emerging growth company may take advantage of certain reduced disclosure and other requirements that are otherwise applicable to public companies. These provisions include, but are not limited to:

- being permitted to provide only two years of audited financial statements, in addition to any required unaudited interim financial statements, with correspondingly reduced "Management's Discussion and Analysis of Financial Condition and Results of Operations" disclosure;
- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, as amended (the "Sarbanes-Oxley Act");
- not being required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements, unless the SEC determines the new rules are necessary for protecting the public;
- reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation

and stockholder approval of any golden parachute payments not previously approved.

We will remain an emerging growth company until the earliest to occur of: (i) the last day of the first fiscal year in which our annual gross revenue exceeds $1.235 billion; (ii) the date that we become a "large accelerated filer," with at least $700.0 million of equity securities held by non-affiliates as of the end of the second quarter of that fiscal year; (iii) the date on which we have issued, in any three-year period, more than $1.0 billion in non-convertible debt securities; and (iv) the last day of the first fiscal year ending after the fifth anniversary of the closing of this offering. Given that there will not be an active trading market for our equity securities, we expect to value the equity securities held by non-affiliates for purposes of determining our qualification as an "emerging growth company" by relying on a stated value of $25,000 per Class A Interest, which is equal to the amount paid by investors in this offering *plus* the corresponding amount of Subordinated Loans attributable to each Class A Interest. As of the closing of this offering and the concurrent private placements, we expect approximately $250.0 million of equity securities to be held by non-affiliates based on the valuation criteria described above.

We have elected to take advantage of certain of the reduced disclosure obligations in the registration statement of which this prospectus is a part and may elect to take advantage of other reduced reporting requirements in future filings. As a result, the information that we provide may be different than the information you receive from other public companies in which you hold stock.

Emerging growth companies can also take advantage of the extended transition period provided in Section 13(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") for complying with new or revised accounting standards. In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have irrevocably elected not to use this extended transition period. As a result, our consolidated financial statements are comparable to the financial statements of companies that comply with new or revised accounting pronouncements as of public company effective dates.

We are also a "smaller reporting company" as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company. We may take advantage of certain of the scaled disclosures available to smaller reporting companies and will be able to take advantage of these scaled disclosures for so long as our voting and non-voting shares of stock held by non-affiliates is less than $250.0 million measured on the last business day of our second fiscal quarter, or our annual revenue is less than $100.0 million during the most recently completed fiscal year and our voting and non-voting shares of stock held by non-affiliates is less than $700.0 million measured on the last business day of our second fiscal quarter.

THE OFFERING

Aggregate number of securities offered	10,000 Class A Interests (divided into Class A-1 Interests, Class A-2 Interests, Class A-3 Interests and Class A-4 Interests).
Securities offered	500 Class A-1 Interests, par value $0.001 per share; 1,000 Class A-2 Interests, par value $0.001 per share; 1,000 Class A-3 Interests, par value $0.001 per share; and 7,500 Class A-4 Interests, par value $0.001 per share.
Class A Interests to be sold in the concurrent private placements	Immediately subsequent to the closing of this offering, and subject to certain conditions of closing as described in "*Concurrent Private Placements*," the private placement investors will purchase Class A-1 Interests, Class A-2 Interests, Class A-3 Interests, and Class A-4 Interests, respectively, in the concurrent private placements at a price per share equal to the initial public offering. The sale of the Class A Interests in the private placements is contingent upon the completion of this offering. We refer to these private placements as the concurrent private placements.
Class A Interests to be outstanding after this offering and the concurrent private placements	10,000 Class A Interests (divided into Class A-1 Interests, Class A-2 Interests, Class A-3 Interests and Class A-4 Interests) representing 25% of the voting power and 100% of the economic interest in Bally's Chicago, Inc.
Class B Interests to be outstanding after this offering and the concurrent private placements	30,000 Class B Interests representing 75% of the voting power and no economic interest in Bally's Chicago, Inc.
Offering type	This offering is being conducted on a best efforts basis. There is no minimum number of Class A Interests to be sold (or minimum number of Class A Interests to be sold of each class) or minimum aggregate offering proceeds for this offering to close.
Use of proceeds	We estimate that the net proceeds we will receive from the sale of Class A Interests in this offering will be approximately $195.1 million and, together with the net proceeds from the concurrent private placements, the Subordinated Loans and the IPO Expenses Note, will total approximately $250.0 million, in each case assuming the sale of Class A Interests at the public offering prices set forth on the cover of this prospectus, after deducting the placement agent fees and offering and private placement expenses payable by us. We intend to use all of the net proceeds from this offering, together with the proceeds from the concurrent private placements, the Subordinated Loans and the IPO Expenses Note, to purchase 10,000 LLC Interests directly from Bally's Chicago OpCo at a price per unit equal to the stated value of $25,000 per Class A Interest, which is equal to the amount paid by investors in this offering plus the

corresponding amount of Subordinated Loans attributable to each Class A Interest.

	Bally's Chicago OpCo intends to use the proceeds it receives from the sale of LLC Interests to Bally's Chicago, Inc. to repay $250.0 million outstanding aggregate amount under the Pre-IPO Intercompany Notes. See "*Use of Proceeds*."
Investor qualification	Prospective investors cannot be employee benefit plans (e.g., 401(k) plans), IRAs, or other Plans (as defined herein). In accordance with the Host Community Agreement, we are also focused on cultivating an investor community that reflects diversity in social identity, including in race, ethnicity, class, gender, ability and national origin, among others. As such, in accordance with the Host Community Agreement, when allocating shares to potential investors in connection with this offering, we intend to only sell to investors that meet the Class A Qualification Criteria. See "*Plan of Distribution — Offering Process*."
Voting rights	Each Class A Interest and each Class B Interest is entitled to one vote per share on all matters submitted to a vote of stockholders. Following the closing of this offering and the concurrent private placements and the consummation of the Transactions, Bally's Chicago HoldCo will be the sole holder of our Class B Interests, and thus will hold 75% of the voting power of our stock. See "*Description of Capital Stock*."
Dividends	Upon the closing of this offering and the concurrent private placements and the consummation of the Transactions, we will be a holding company, and our principal asset will be the LLC Interests we purchase from Bally's Chicago OpCo. If we decide to make a distribution in the future, we would need to cause Bally's Chicago OpCo to make distributions to us in an amount sufficient to cover the repayment of the IPO Expense Note, future borrowings plus such distribution. If Bally's Chicago OpCo makes such distributions to us, the other holders of LLC Interests will be entitled to receive pro rata distributions. In addition, Bally's Chicago OpCo will report as a partnership for U.S. federal income tax purposes and, as such, generally will not be subject to any entity-level U.S. federal income tax. Instead, any taxable income of Bally's Chicago OpCo will be allocated to holders of LLC Interests, including us. Accordingly, we will incur income taxes on our allocable share of any net taxable income of Bally's Chicago OpCo. Under the terms of the Bally's Chicago OpCo LLC Agreement, Bally's Chicago OpCo will be obligated to make tax distributions to holders of LLC Interests, including us, to the extent it has distributable cash. In addition to tax expenses, we will also incur expenses related to our operations, which we expect could be significant. We intend, as its managing member, to cause Bally's Chicago OpCo to make cash distributions to the owners of LLC Interests in an amount sufficient to (1) fund all or part of their tax obligations in respect of taxable income allocated to them and (2) cover our operating expenses. However, Bally's Chicago OpCo's ability to make such distributions may be subject to various limitations and restrictions, such as restrictions on distributions that would either violate any contract or agreement to which Bally's Chicago OpCo is then a party, including any debt or financing agreements, or any applicable law, or that would have the effect of rendering Bally's Chicago OpCo insolvent. If we do not have sufficient funds to pay tax or other liabilities or to fund our

operations, we may have to borrow funds, including potentially from Bally's and its affiliates if available, which could materially adversely affect our liquidity and financial condition and subject us to various restrictions imposed by any such lenders. See "*Risk Factors — Risks related to our organizational structure — Our principal asset after the completion of this offering and the concurrent private placements will be our interest in Bally's Chicago OpCo, and, as a result, we will depend on distributions from Bally's Chicago OpCo to pay our taxes and expenses. Bally's Chicago OpCo's ability to make such distributions may be subject to various limitations and restrictions.*"

Furthermore, we intend, as its managing member, to cause Bally's Chicago OpCo to make distributions of OpCo cash available for distribution on a quarterly basis. We define OpCo cash available for distribution as earnings or loss before interest, taxes, depreciation and amortization, non-cash stock-based compensation, gain or loss on asset disposals or impairment, and certain other unusual or non-cash income and expense items such as gains or losses on settlement of liabilities and exchanges, and changes in the fair value of derivatives, if applicable, less payments made on senior indebtedness, capital expenditures, cash taxes, rent without duplication and changes in working capital and cash used for acquisitions and dispositions. We do not expect any such distributions until after the permanent casino and resort is fully operational and generates cash flow.

In turn, we intend to distribute cash available for distribution to the holders of our Class A Interests (subject to certain requirements discussed below). Holders of our Class B Interests will not be entitled to participate in distributions declared by our Board. We define *cash available for distribution* as earnings or loss before interest, taxes, depreciation and amortization, non-cash stock-based compensation, gain or loss on asset disposals or impairment, and certain other unusual or non-cash income and expense items such as gains or losses on settlement of liabilities and exchanges, and changes in the fair value of derivatives, if applicable, *less* payments made on senior indebtedness, capital expenditures, cash taxes, rent without duplication and changes in working capital and cash used for acquisitions and dispositions. Cash that is distributed to holders of our Class A Interests will be distributed pro rata according to the number of Class A-1 Interests, Class A-2 Interests, Class A-3 Interests and Class A-4 Interests outstanding at the time of such distribution. Given the capital intensity of developing, constructing, opening and operating a casino resort project of this scale, we currently expect that Bally's Chicago OpCo will not have any OpCo cash available for distribution until approximately three to five years after our permanent casino and resort begins operations. However, this may fluctuate depending on Bally's Chicago OpCo's ability to generate cash from operations and its cash flow needs, which, among other things, may be impacted by debt service payments on its senior indebtedness, capital expenditures, potential expansion opportunities and the availability of financing alternatives, the need to service any future indebtedness or other liquidity needs and general industry and business conditions, including the pace of the construction and development of our permanent casino and resort in Chicago. Pursuant to the terms of our amended and restated

certificate of incorporation to be in effect prior to the closing of this offering, so long as there are Subordinated Loans outstanding that are attributable to each of our various Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, any cash available for distribution that would otherwise be paid to holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, as applicable, will be required to be used for the repayment of principal and accrued interest on the corresponding Subordinated Loans owed by us. The Subordinated Loans will bear interest at a rate equal to 11.0% per annum, compounding quarterly, will be pre-payable at any time without a premium or penalty at a prepayment price equal to the principal amount thereof plus accrued interest, and will have no maturity date. See "*Subordinated Loans*" for more information on the Subordinated Loans.

If the principal and interest of any of the Subordinated Loans have been paid in full, by distributions from Bally's Chicago OpCo or any other means, we intend to distribute to holders of the corresponding Class A Interests with respect to any such Subordinated Loan an amount equal to 100% of the applicable distribution specified above in the form of a direct cash dividend.

While we intend, as its managing member, to cause Bally's Chicago OpCo to make distributions on a quarterly basis once it is able to generate OpCo cash available for distribution approximately three to five years after our permanent casino and resort begins operations, we and Bally's Chicago OpCo have not adopted a formal written dividend or distribution policy to pay a fixed amount of cash regularly or to pay any particular amount based on the achievement of, or derivable from, any specific financial metrics, including OpCo cash available for distribution. Further, we and Bally's Chicago OpCo are not contractually obligated to pay any dividends or make any distributions and do not have any required minimum quarterly dividend or distribution, except for tax-related distributions described above. Our and Bally's Chicago OpCo's distributions may vary from quarter to quarter, may be significantly reduced or may be eliminated entirely. While we and Bally's Chicago OpCo intend to make distributions equal to 100% of the cash available for distribution and OpCo cash available for distribution, respectively, on a quarterly basis, the actual amount of any distributions may fluctuate depending on our and Bally's Chicago OpCo's ability to generate cash from operations and our and Bally's Chicago OpCo's cash flow needs, which, among other things, may be impacted by debt service payments on our or Bally's Chicago OpCo's senior indebtedness, capital expenditures, potential expansion opportunities and the availability of financing alternatives, the need to service any future indebtedness or other liquidity needs and general industry and business conditions, including the pace of the construction and development of our permanent casino and resort in Chicago. Our Board will have full discretion on how to deploy cash available for distribution, including the payment of dividends. Any debt we or Bally's Chicago OpCo may incur in the future is likely to restrict our and Bally's Chicago OpCo ability to pay dividends or distributions, and such restriction may prohibit us and Bally's Chicago OpCo from making distributions, or reduce the amount of cash available for distribution and OpCo cash available for distribution. In addition, Delaware law imposes requirements that

may restrict our ability to pay dividends to holders of our shares. See "*Risk Factors — Risks Related to this Offering and Ownership of our Class A Interests — You may not receive dividends or other distributions on the Class A Interests*" and "*Dividend Policy.*"

Electronic form and trading market

The Class A Interests will be issued in electronic form only, and will not be available in physical form. Our Class A Interests are new securities; there are currently none issued and there is currently no established market for such shares.

Our Class A Interests will not be listed on any national securities exchange or on any other stock exchange, regulated trading facility or automated dealer quotation system in the United States or internationally. Additionally, there is no trading market for our Class A Interests and, due to transferability restrictions, an active market for our Class A Interests will not likely develop in the future. As such, our Class A Interests will have limited liquidity and holders of our Class A Interests may not be able to monetize their full investment in our Class A Interests, if at all. Furthermore, Class A-1 Interests, Class A-2 Interests and Class A-3 Interests can be transferred only after the Subordinated Loan attributable to such Interest has been paid in full and such interest has been converted to an A-4 Interest.

Transfer Restrictions

Our Class A Interests are subject to restrictions on transferability and redemption provisions, which will materially impact the ability of holders of our Class A Interests to transfer their shares.

These restrictions include, among others:

- Our Class A Interests cannot be sold in open market transactions;
- Our Class A Interests cannot be marketed or listed on any secondary market for purchase;
- Our Class A Interests can only be transferred without our consent to Permitted Transferees;
- Our Class A Interests can only be transferred with our consent to individuals or entities that attest to satisfying the Class A Qualification Criteria, and, in the case of Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, only after the Subordinated Loan attributable to such Interest has been paid in full and such Interests are converted to Class A-4 Interests (if a holder of Class A-1 Interests, Class A-2 Interests and/or Class A-3 Interests would like to transfer their Interests before the Subordinated Loans attributable to such class of Interests are paid off, such holder or the transferee may repay in full the pro rata amount of the remaining balance of the Subordinated Loans then outstanding attributable to such Interests before or substantially concurrently with such transfer and conversion); and
- Our Class A Interests cannot be transferred to employee benefit plans, IRAs or Plans (as defined herein).

See "*Shares Eligible for Future Sale*" beginning on page 192 for additional information related to the transfer restrictions imposed on

our Class A Interests.

U.S. federal income tax consequences to U.S. Holders	For a description of the material U.S. federal income tax consequences of the acquisition, ownership and disposition of the Class A Interests to U.S. Holders, please see "*Material U.S. Federal Income Tax Consequences to U.S. Holders*" herein.
Certain ERISA Considerations	See "*Certain ERISA Considerations*" for information relating to the purchase and transfer restrictions on employee benefit plans, IRAs and other Plans (as defined therein).
Directed Share Program	We have reserved up to 300 Class A Interests, or approximately 3.0% of our Class A Interests, for sale to our director nominees on the same terms as the Class A Interests being purchased by investors in this offering. These persons must commit to purchase at the same time as the investors in this offering. The number of Class A Interests available for sale in this offering will be reduced to the extent these persons purchase the reserved Class A Interests. See "*Plan of Distribution — Directed Share Program.*"
Risk factors	You should read "*Risk Factors*" for a discussion of factors you should carefully consider before deciding to invest in our Class A Interests.
Order/Investment Commitment submission deadline	Prospective investors must have submitted their qualification application to us by the submission deadline, which is currently January 31, 2025, but may be sooner at our sole discretion depending upon market conditions.
Liquidation	In the event of a sale, liquidation, dissolution or winding up of Bally's Chicago OpCo, including a change of control, after payment or provision for payment of Bally's Chicago OpCo's debt and liabilities, including any amounts due under Bally's Chicago OpCo's senior indebtedness, each LLC Interest will be entitled to receive a proportionate interest in the net assets of Bally's Chicago OpCo. In turn, the interests in the net assets of Bally's Chicago OpCo received by Bally's Chicago, Inc. will be used to pay Bally's Chicago, Inc.'s debts and liabilities, including any amounts under any senior indebtedness and the Subordinated Loans owed by us at the time of such liquidation. Each Class A Interest will be entitled to receive a proportionate interest in the net assets remaining for distribution to holders of Class A Interests. Class B Interests hold no economic interest in Bally's Chicago, Inc. See "*Description of Capital Stock*."

The number of our shares of stock to be outstanding after this offering and the concurrent private placements is based on 100 common stock outstanding as of December 31, 2024. Upon the closing of this offering and the concurrent private placements and the consummation of the Transactions, all of our outstanding common stock will be reclassified into Class B Interests (the "Common Stock Reclassification"). See "*Our Organizational Structure.*"

Except as otherwise indicated, all information in this prospectus assumes or gives effect to:

- no purchases of Class A Interests by Bally's Corporation in this offering;
- the Intercompany Notes Cancellation;
- the Post-IPO Capital Commitment;
- the issuance of 29,900 Class B Interests to Bally's Chicago HoldCo at $0.001 per Class B Interest;

- the issuance of Class A-1 Interests, Class A-2 Interests, Class A-3 Interests, and Class A-4 Interests to the private placement investors upon the closing of the concurrent private placements;
- the filing and effectiveness of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws prior to the closing of this offering; and
- the Common Stock Reclassification.

QUESTIONS AND ANSWERS

Q: What is our business?

A: We are a gaming, hospitality and entertainment company with the singular focus of building and operating a world-class entertainment destination resort in Chicago, Illinois. We intend to provide both Chicago residents and business and leisure travelers visiting Chicago with physical and interactive entertainment and gaming experiences.

Q: What are the securities that we are offering?

A: We are offering our Class A Interests. Upon the closing of this offering and the concurrent private placements and the consummation of the Transactions, we will have five classes of stock: Class A-1 Interests, Class A-2 Interests, Class A-3 Interests, Class A-4 Interests and Class B Interests. Class B Interests are not being offered hereby, and will be held exclusively by Bally's Chicago HoldCo. The rights of the holders of Class A Interests and Class B Interests will be identical, except with respect to the impact of the Subordinated Loans attributable to Class A-1 Interests, Class A-2 Interests and Class A-3 Interests described below and Class B Interests have no economic interest in Bally's Chicago, Inc. Each Class A Interest and each Class B Interest is entitled to one vote per share on all matters submitted to a vote of stockholders. Following the closing of this offering and the concurrent private placements and the consummation of the Transactions, as the sole holder of our Class B Interests, Bally's Chicago HoldCo will hold 75% of the voting power in the Company. We will be permitted, but not required, to pay dividends on our Class A Interests. Holders of our Class B Interests will not be entitled to participate in distributions declared by our Board. See "*Dividend Policy.*"

Q: Are there any risks associated with an investment in our Class A Interests?

A: *Yes*. Our Class A Interests are highly risky and speculative. Investing in our Class A Interests should be considered only by persons who can afford the loss of their entire investment. Additionally, our Class A Interests will not be listed on any national securities exchange or on any other stock exchange, regulated trading facility or automated dealer quotation system in the United States or internationally. There is no trading market for our Class A Interests and an active market for our Class A Interests will not likely develop in the future. As such, our Class A Interests will have limited liquidity and holders of our Class A Interests may not be able to monetize their full investment in our Class A Interests, if at all.

Our Class A Interests are also subject to restrictions on transferability and redemption provisions, each of which will individually and in the aggregate materially impact the ability of holders of our Class A Interests to transfer their Class A Interests following the closing of this offering. Our Class A Interests can only be transferred without our consent to Permitted Transferees. Additionally, our Class A Interests can only be transferred with our consent to individuals or entities that attest to satisfying the Class A Qualification Criteria, and, in the case of Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, only after the Subordinated Loan attributable to such Interest has been paid in full and such Interests are converted to Class A-4 Interests. If a holder of Class A-1 Interests, Class A-2 Interests and/or Class A-3 Interests would like to transfer their Interests before the Subordinated Loans attributable to such class of Interests are paid off, such holder or the transferee may repay in full the pro rata amount of the remaining balance of the Subordinated Loans then outstanding attributable to such Interests before or substantially concurrently with such transfer and conversion. See "*Shares Eligible for Future Sale*" beginning on page 192. Class A Interests also cannot be transferred to employee benefit plans, IRAs and other Plans (as defined herein). See "*Certain ERISA Considerations*."

Our Class A Interests are shares of stock in Bally's Chicago, Inc. and do not constitute indebtedness. As such, our Class A Interests will rank junior to all indebtedness, including the Subordinated Loans, and other non-equity claims on our business with respect to assets available to satisfy claims, including in a liquidation of the Company.

In addition, pursuant to the terms of our amended and restated certificate of incorporation to be in effect prior to the closing of this offering, so long as there are Subordinated Loans outstanding that are attributable to each of our various Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, any cash available for distribution that would otherwise be paid to holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, as applicable, will be required to be used for the repayment of principal and accrued interest on the corresponding Subordinated Loans owed by us. Therefore, even if our Board (or a duly authorized committee of the Board) authorizes and declares a dividend on our shares of stock, holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests will not be entitled to receive any such dividend until such time as the corresponding Subordinated Loans associated with such Class A Interests are paid in full, which may take a prolonged period of time to occur, if at all.

Our Subordinated Loans will accrue interest at a rate of 11.0% per annum, compounding quarterly, and accrued and unpaid interest will be added to the outstanding principal amount thereof on a quarterly basis. As a result, the amount of Subordinated Loans that are to be paid with a percentage of the amounts that would otherwise be paid on account of Class A-1 Interests, Class A-2 Interests and Class A-3 Interests will increase during the period between the closing date of this offering and the date, if any, on which dividends are to be paid on the Class A-1 Interests, Class A-2 Interests and Class A-3 Interests.

In addition, given the Class A-3 Subordinated Loans attributable to each Class A-3 Interest will be lower than the Class A-1 Subordinated Loans and Class A-2 Subordinated Loans attributable to the Class A-1 Interests and Class A-2 Interests, respectively, the Class A-3 Subordinated Loans are expected to be fully repaid prior to the Class A-1 Subordinated Loans and the Class A-2 Subordinated Loans, to the extent they are fully repaid. Similarly, the Class A-2 Subordinated Loans are expected to be fully repaid prior to the Class A-1 Subordinated Loans, to the extent they are fully repaid. However, due to the significant amount of indebtedness (including both principal and interest) owed on the Subordinated Loans, we do not expect to fully repay the Subordinated Loans for an extended period of time following the closing of this offering, if at all. As such, holders of Class A-1 Interests, Class A-2 Interests and Class A-3 Interests may not directly receive the cash dividends or other distributions that otherwise would have been payable on such Class A-1 Interests, Class A-2 Interests and Class A-3 Interests for an equivalently long period of time, if at all, or realize any accretion in value above the initial amount invested. Moreover, the value of the principal and accrued interest on the Subordinated Loans could exceed the value of the Class A-1 Interests, Class A-2 Interests and Class A-3 Interests otherwise payable upon a sale of the business, resulting in holders of the Class A-1 Interests, Class A-2 Interests and Class A-3 Interests receiving nothing upon such a sale. See "*Risk Factors*."

Q: Will investors purchasing Class A Interests receive dividends?

A: Upon the closing of this offering and the concurrent private placements and the consummation of the Transactions, we will be a holding company, and our principal asset will be the LLC Interests we purchase from Bally's Chicago OpCo. If we decide to make a distribution in the future, we would need to cause Bally's Chicago OpCo to make distributions to us in an amount sufficient to cover the repayment of the IPO Expense Note, future borrowings plus such distribution. If Bally's Chicago OpCo makes such distributions to us, the other holders of LLC Interests will be entitled to receive pro rata distributions.

In addition, Bally's Chicago OpCo will report as a partnership for U.S. federal income tax purposes and, as such, generally will not be subject to any entity-level U.S. federal income tax. Instead, any taxable income of Bally's Chicago OpCo will be allocated to holders of LLC Interests, including us. Accordingly, we will incur income taxes on our allocable share of any net taxable income of Bally's Chicago OpCo. Under the terms of the Bally's Chicago OpCo LLC Agreement, Bally's Chicago OpCo will be obligated to make tax distributions to holders of LLC Interests, including us, to the extent it has distributable cash. In addition to tax expenses, we will also incur expenses related to our operations, which we expect could be significant. We intend, as its managing member, to cause Bally's Chicago

OpCo to make cash distributions to the owners of LLC Interests in an amount sufficient to (1) fund all or part of their tax obligations in respect of taxable income allocated to them and (2) cover our operating expenses.

However, Bally's Chicago OpCo's ability to make such distributions may be subject to various limitations and restrictions, such as restrictions on distributions that would either violate any contract or agreement to which Bally's Chicago OpCo is then a party, including any debt or financing agreements, or any applicable law, or that would have the effect of rendering Bally's Chicago OpCo insolvent. If we do not have sufficient funds to pay tax or other liabilities or to fund our operations, we may have to borrow funds, including potentially from Bally's and its affiliates if available, which could materially adversely affect our liquidity and financial condition and subject us to various restrictions imposed by any such lenders. See "*Risk Factors — Risks related to our organizational structure — Our principal asset after the completion of this offering and the concurrent private placements will be our interest in Bally's Chicago OpCo, and, as a result, we will depend on distributions from Bally's Chicago OpCo to pay our taxes and expenses. Bally's Chicago OpCo's ability to make such distributions may be subject to various limitations and restrictions.*"

Furthermore, we intend to, as its managing member, cause Bally's Chicago OpCo to make distributions of OpCo cash available for distribution on a quarterly basis. We define *OpCo cash available for distribution* as earnings or loss before interest, taxes, depreciation and amortization, non-cash stock-based compensation, gain or loss on asset disposals or impairment, and certain other unusual or non-cash income and expense items such as gains or losses on settlement of liabilities and exchanges, and changes in the fair value of derivatives, if applicable, *less* payments made on senior indebtedness, capital expenditures, cash taxes, rent without duplication and changes in working capital and cash used for acquisitions and dispositions. We do not expect any such distributions until after the permanent casino and resort is fully operational and generates cash flow.

In turn, we intend to distribute cash available for distribution to the holders of our Class A Interests (subject to certain requirements discussed below). Holders of our Class B Interests will not be entitled to participate in distributions declared by our Board. We define *cash available for distribution* as earnings or loss before interest, taxes, depreciation and amortization, non-cash stock-based compensation, gain or loss on asset disposals or impairment, and certain other unusual or non-cash income and expense items such as gains or losses on settlement of liabilities and exchanges, and changes in the fair value of derivatives, if applicable, *less* payments made on senior indebtedness, capital expenditures, cash taxes, rent without duplication and changes in working capital and cash used for acquisitions and dispositions. Cash that is distributed to holders of our Class A Interests will be distributed pro rata according to the number of Class A-1 Interests, Class A-2 Interests, Class A-3 Interests and Class A-4 Interests outstanding at the time of such distribution. Given the capital intensity of developing, constructing, opening and operating a casino resort project of this scale, we currently expect that Bally's Chicago OpCo will not have any OpCo cash available for distribution until approximately three to five years after our permanent casino and resort begins operations. However, this may fluctuate depending on Bally's Chicago OpCo's ability to generate cash from operations and its cash flow needs, which, among other things, may be impacted by debt service payments on its senior indebtedness, capital expenditures, potential expansion opportunities and the availability of financing alternatives, the need to service any future indebtedness or other liquidity needs and general industry and business conditions, including the pace of the construction and development of our permanent casino and resort in Chicago.

Pursuant to the terms of our amended and restated certificate of incorporation to be in effect prior to the closing of this offering, so long as there are Subordinated Loans outstanding that are attributable to each of our various Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, any cash available for distribution that would otherwise be paid to holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, as applicable, will be required to be used for the repayment of principal and accrued interest on the corresponding Subordinated Loans owed by us. The Subordinated Loans will bear interest at a rate equal to 11.0% per annum, compounding quarterly, will be pre-payable at any time without a premium or penalty at a prepayment price equal to the principal amount thereof plus accrued interest, and will have no maturity date. See "*Subordinated Loans*" for more information on the Subordinated Loans.

If the principal and interest of any of the Subordinated Loans have been paid in full, by distributions from Bally's Chicago OpCo or any other means, we intend to distribute to holders of the corresponding

Class A Interests with respect to any such Subordinated Loan an amount equal to 100% of the applicable distribution specified above in the form of a direct cash dividend.

While we intend, as its managing member, to cause Bally's Chicago OpCo to make distributions on a quarterly basis once it is able to generate OpCo cash available for distribution approximately three to five years after our permanent casino and resort begins operations, we and Bally's Chicago OpCo have not adopted a formal written dividend or distribution policy to pay a fixed amount of cash regularly or to pay any particular amount based on the achievement of, or derivable from, any specific financial metrics, including OpCo cash available for distribution. Further, we and Bally's Chicago OpCo are not contractually obligated to pay any dividends or make any distributions and do not have any required minimum quarterly dividend or distribution, except for tax-related distributions described above. Our and Bally's Chicago OpCo's distributions may vary from quarter to quarter, may be significantly reduced or may be eliminated entirely. While we and Bally's Chicago OpCo intend to make distributions equal to 100% of the cash available for distribution and OpCo cash available for distribution, respectively, on a quarterly basis, the actual amount of any distributions may fluctuate depending on our and Bally's Chicago OpCo's ability to generate cash from operations and our and Bally's Chicago OpCo's cash flow needs, which, among other things, may be impacted by debt service payments on our or Bally's Chicago OpCo's senior indebtedness, capital expenditures, potential expansion opportunities and the availability of financing alternatives, the need to service any future indebtedness or other liquidity needs and general industry and business conditions, including the pace of the construction and development of our permanent casino and resort in Chicago. Our Board will have full discretion on how to deploy cash available for distribution, including the payment of dividends. Any debt we or Bally's Chicago OpCo may incur in the future is likely to restrict our and Bally's Chicago OpCo ability to pay dividends or distributions, and such restriction may prohibit us and Bally's Chicago OpCo from making distributions, or reduce the amount of cash available for distribution and OpCo cash available for distribution. In addition, Delaware law imposes requirements that may restrict our ability to pay dividends to holders of our shares. See "*Risk Factors — Risks Related to this Offering and Ownership of our Class A Interests — You may not receive dividends or other distributions on the Class A Interests*" and "*Dividend Policy*."

Q: Will investors purchasing Class A Interests be parties to the subordinated loan agreement?

A: *No*. Bally's Chicago HoldCo, as lender, will make the Subordinated Loans to us, as borrower, in various tranches and in varying amounts based on the total number of Class A-1 Interests, Class A-2 Interests and Class A-3 Interests sold in this offering. None of the new investors purchasing Class A Interests in this offering will be a party to the subordinated loan agreement, or a borrower or lender under the Subordinated Loans. The Subordinated Loans will be non-recourse to the holders of our Class A Interests.

Q: Will we offer additional equity securities in the future?

A: While we do not currently intend to issue any additional securities in the future, we may be required to do so from time to time in order to continue to fund our operations. To the extent we decide to issue additional Class A Interests or Class B Interests in the future, we may be required to offer you an opportunity to participate pro rata in the offering in order for such offering not to dilute the ownership of individuals meeting the Class A Qualification Criteria below the minimum 25% requirement under the Host Community Agreement. However, to the extent that you determine that you either do not want to participate or cannot participate in any such offering, you will suffer immediate dilution to the extent such offering is completed without your participation. Additionally, we cannot guarantee that we will offer financing options similar to the Subordinated Loans, which would significantly increase the costs of any future investment.

Q: Will you file separate periodic reports with the SEC?

A: *Yes*. Bally's Chicago, Inc. will be a registered SEC filer and thus is subject to the periodic reporting

requirements of the SEC.

Q: How will my Class A Interests be treated for United States federal income tax purposes?

A: Class A Interests are to be treated as stock in Bally's Chicago, Inc. for United States federal income tax purposes. For a discussion of the material U.S. federal income tax consequences of the acquisition, ownership and disposition of our Class A Interests to U.S. Holders, please see "*Material U.S. Federal Income Tax Consequences to U.S. Holders*" herein.

Q: How are the Class A Interests being offered?

A: Our Class A Interests are being offered on a best efforts basis, by and through our placement agents (listed on the cover page of this prospectus). There is no minimum number of Class A Interests to be sold or minimum aggregate offering proceeds for this offering to close. The process for placing orders in this offering is different from that used for most public offerings of equity securities. You should carefully read the section entitled "*Plan of Distribution — Offering Process*" for additional information regarding how to place an order for our Class A Interests.

Q: Will I receive a certificate for my Class A Interests?

A: *No*. The Class A Interests will be issued in book-entry form only, and not in physical form. BitGo Trust (as defined below) will act as our registrar and transfer agent for our Class A Interests. Our Class A Interests will be held in book-entry form only on our books and records, and any transfers of our Class A Interests must be made through an account with BitGo Trust, a vendor that we have contracted to administer the books and records of our registrar.

Q: Will the Class A Interests be listed on an exchange?

A: Our Class A Interests will not be listed on a stock exchange such as the New York Stock Exchange or Nasdaq. Additionally, there is no trading market for our Class A Interests and, due to transferability restrictions, an active market for our Class A Interests will not likely develop in the future.

Therefore, our Class A Interests will have limited liquidity and holders of our Class A Interests may not be able to monetize their full investment in our Class A Interests, if at all.

Q: Can I purchase Class A Interests using my existing brokerage account?

A: *No*. In order to purchase our Class A Interests, investors will be required to open an account with BitGo Trust. You will not be able to purchase or sell any Class A Interests through any other brokerage account or any exchange or trading system. See "*Plan of Distribution — Offering Process.*"

Q: What is Loop Capital Markets LLC and what role do they play in the offering and subsequent trading market?

A: Loop Capital Markets LLC is serving as lead placement agent, along with other financial institutions, in this offering. Placement agents are financial specialists who work closely with issuers of securities to determine the initial offering price of the securities and solicit offers from investors to purchase the securities via the placement agents' distribution network.

Q: How can I sell my Class A Interests if I decide that I no longer wish to hold them?

A: You **cannot** freely sell your Class A Interests. Each Class A Interest is subject to strict controls that limit transferability.

Our Class A Interests can only be transferred without our consent to Permitted Transferees. Additionally, our Class A Interests can only be transferred with our consent to individuals or entities that attest to satisfying the Class A Qualification Criteria, and, in the case of Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, only after the Subordinated Loan attributable to such Interest has been paid in full and such Interests are converted to Class A-4 Interests. If a holder of

Class A-1 Interests, Class A-2 Interests and/or Class A-3 Interests would like to transfer their Interests before the

Subordinated Loans attributable to such class of Interests are paid off, such holder or the transferee may repay in full the pro rata amount of the remaining balance of the Subordinated Loans then outstanding attributable to such Interests before or substantially concurrently with such transfer and conversion. In order to attempt to transfer your Class A Interests, you will be required to submit an application for sale to us. See "*Shares Eligible for Future Sale*" beginning on page 192. Class A Interests also cannot be transferred to employee benefit plans, IRAs and other Plans (as defined herein). See "*Certain ERISA Considerations*."

Q: Do Bally's and its directors and officers get to participate in this offering as an investor?

A: *Yes*. Our officers and directors, along with Bally's and its officers and directors will be allowed to purchase Class A Interests in this offering and execute trades in the secondary market for their own respective accounts through the placement agents.

We have reserved up to 300 Class A Interests, or approximately 3.0% of our Class A Interests, for sale to our director nominees on the same terms as the Class A Interests being purchased by investors in this offering. These persons must commit to purchase at the same time as the investors in this offering. See "*Plan of Distribution — Directed Share Program.*"

Q: What is the relationship between us and Bally's Corporation?

A: We were incorporated on May 24, 2022 as a wholly-owned subsidiary of Bally's. Following the closing of this offering and the concurrent private placements and the consummation of the Transactions, Bally's Chicago HoldCo, a wholly-owned subsidiary of Bally's, will own 75% of our outstanding shares through their ownership of all of our outstanding Class B Interests. We are currently dependent on Bally's for a majority of our working capital and financing requirements. As of September 30, 2024, we and Bally's Chicago OpCo owe $631.0 million in Pre-IPO Intercompany Notes to Bally's and various of its subsidiaries. The Pre-IPO Intercompany Notes have borne and bear interest at a rate equal to 0.0% per annum and are scheduled to mature on December 31, 2025, but all portions that remain outstanding are expected to be extinguished and contribute towards Bally's commitment to purchase 30,000 LLC Interests for $750.0 million representing 75.0% of the economic interest in Bally's Chicago OpCo.

Prior to the closing of this offering, Bally's Chicago HoldCo will assign to Bally's Chicago Inc. $ of Pre-IPO Intercompany Notes owed to it by Bally's Chicago, Inc. and $ of Pre-IPO Intercompany Notes owed to it by Bally's Chicago OpCo as the Pre-IPO Capital Contribution. The amount of the Pre-IPO Capital Contribution will equal the aggregate amount of Subordinated Loans that we will enter into based on the amount of the various classes of Class A Interests sold in this offering and the concurrent private placements.

We intend to use all of the net proceeds from this offering, together with the proceeds from the concurrent private placements, the Subordinated Loans and the IPO Expenses Note, to purchase 10,000 LLC Interests directly from Bally's Chicago OpCo at a price per unit equal to the stated value of $25,000 per Class A Interest, which is equal to the amount paid by investors in this offering plus the corresponding amount of Subordinated Loans attributable to each Class A Interest. The 10,000 LLC Interests we purchase will represent 25.0% of the economic interest in Bally's Chicago OpCo and the Class A Interests will represent 25.0% of the voting power and 100.0% of the economic interest in Bally's Chicago, Inc.

Bally's Chicago OpCo intends to use the proceeds it receives from the sale of LLC Interests to us to repay $250.0 million outstanding aggregate amount under the Pre-IPO Intercompany Notes. In addition, Bally's Chicago OpCo intends to issue 30,000 LLC Interests to Bally's Chicago HoldCo, at a price per LLC Interest equal to the stated value of $25,000 per Class A Interest, which is equal to the amount paid by investors in this offering plus the corresponding amount of Subordinated Loans attributable to each Class A Interest, in satisfaction of the $ Intercompany Notes Cancellation and the $ Post-IPO Capital Commitment. Upon the closing of this offering, we intend to effect

the Common Stock Reclassification and issue an additional 29,900 Class B Interests to Bally's Chicago HoldCo at $0.001 per Class B Interest. The 30,000 LLC Interests issued by Bally's Chicago OpCo to

Bally's Chicago HoldCo from the Intercompany Notes Cancellation and the Post-IPO Capital Commitment, will represent 75.0% of the economic interest in Bally's Chicago OpCo and the 30,000 Class B Interests that will be held by Bally's Chicago HoldCo will represent 75.0% of the voting power and no economic interest in Bally's Chicago, Inc. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Results of Operations and — Liquidity and Capital Resources.*"

In January 2023, Bally's Chicago OpCo and certain subsidiaries of Bally's Corporation entered into the Permanent Services Agreement with BMG, a subsidiary of Bally's Corporation. Pursuant to the Permanent Services Agreement, BMG agreed to provide us and certain subsidiaries of Bally's Corporation with general business support services, including services relating to external reporting obligations, internal audit, regulatory filings, design and construction, business development, human resources, tax, accounting, treasury and capital related, risk management, legal, finance and marketing upon the opening of our permanent casino and resort. Pursuant to the Permanent Services Agreement, we agreed to pay BMG an annual fee equal to the salaries, burden, overhead and other operating costs for providing such services based on our share of those costs calculated by reference to an appropriate common-size metric plus 6%, which fee may be reviewed and adjusted by the parties from time to time to reflect current market rates for such services and as required by the Code. The initial term of the agreement is one year, beginning upon the opening of our permanent casino and resort, and will be automatically renewed for successive one-year terms, unless either party serves on the other a written notice of termination. See "*Transactions with Related Persons — Permanent Services Agreement.*"

In addition, in August 2023, Bally's Chicago OpCo entered into the Temporary Services Agreement with BMG, a subsidiary of Bally's Corporation. Pursuant to the Temporary Services Agreement, BMG agreed to provide us with general business support services, including services relating to external reporting obligations, internal audit, regulatory filings, design and construction, business development, human resources, tax, accounting, treasury and capital related, risk management, legal, finance and marketing related to our temporary casino. Pursuant to the Temporary Services Agreement, we agreed to pay BMG a monthly fee equal to $5.0 million, which fee may be reviewed and adjusted by the parties from time to time to reflect current market rates for such services and as required by the Code. The initial term of the agreement is two years, beginning August 30, 2023, and will be automatically renewed for successive one-year terms for as long as our temporary casino is licensed to continue operations, unless BMG serves on Bally's Chicago OpCo a written notice of termination. The Temporary Services Agreement shall automatically terminate when our temporary casino permanently closes and our permanent casino and resort opens to the public. See "*Transactions with Related Persons — Temporary Services Agreement.*"

We and Bally's Chicago HoldCo, our direct parent and the entity that will hold all of our Class B Interests after the closing of this offering, as well as all other current and future direct unrestricted subsidiaries of Bally's Corporation under its credit facilities and bond indentures, will guarantee Bally's Chicago OpCo's obligations under the GLP Lease Agreement and GLP Development Agreement; *provided*, however, that at such time as Bally's Chicago OpCo becomes a restricted subsidiary under Bally's Corporation's credit facilities and bond indentures, (i) Bally's Corporation (or its Parent Company (as defined in Bally's Corporation's existing master lease agreement with GLP), if any, following a Control Transaction (as defined in the GLP Term Sheet)) will be required to guarantee the GLP Lease Agreement and GLP Development Agreement and (ii) following the delivery of such guarantee, the guarantees of the GLP Lease Agreement and GLP Development Agreement provided by Bally's Chicago HoldCo and such other unrestricted subsidiaries of Bally's Corporation shall terminate.

In connection with Bally's Chicago HoldCo's commitment to guarantee the GLP Lease Agreement and GLP Development Agreement, and in partial consideration for certain investments by Bally's Corporation and its subsidiaries into Bally's Chicago OpCo, we and Bally's Chicago OpCo intend to guarantee all obligations, including, without limitation, indebtedness and lease obligations of Bally's Corporation and its subsidiaries upon Bally's Corporation's (or its Parent Company's (as defined in Bally's Corporation's existing master lease agreement with GLP), if any, following a Control

Transaction (as defined in the GLP Term Sheet)) guaranteeing the GLP Lease Agreement and the

GLP Development Agreement or upon request from Bally's Corporation; *provided* that, at any time after such guarantee by Bally's Corporation (or its Parent Company) or such request from Bally's Corporation, upon request of Bally's Chicago OpCo, Bally's Corporation will guarantee Bally's Chicago OpCo's obligations under any lease obligations outstanding at such time, including any obligations under the Oak Street Lease Agreement or, if entered into, the GLP Lease Agreement and the GLP Development Agreement, to the maximum extent permitted under the instruments governing Bally's Corporation's indebtedness (assuming full borrowing of all outstanding commitments under Bally's Corporation's revolving credit facilities outstanding at such time). Furthermore, we and Bally's Chicago OpCo intend to enter into the Guarantee Agreement with Bally's Corporation, pursuant to which, at any time in the future, upon request from Bally's Corporation, we and Bally's Chicago OpCo will guarantee, and cause each of our wholly-owned subsidiaries to guarantee, any additional obligations, including, without limitation, indebtedness and lease obligations that Bally's Corporation or its subsidiaries enter into at any time in the future. See "*Transactions with Related Persons — Guarantee of Bally's Corporation's Obligations.*"

SUMMARY HISTORICAL AND PRO FORMA CONDENSED CONSOLIDATED FINANCIAL AND OTHER DATA

The following tables present the summary historical and pro forma condensed consolidated financial and other data for Bally's Chicago, Inc. Bally's Chicago Operating Company, LLC is a consolidated subsidiary of Bally's Chicago, Inc. for financial reporting purposes. The summary statements of operations and statements of cash flows data for the year ended December 31, 2023 and for the period from May 24, 2022 (date of inception) to December 31, 2022, and the summary balance sheet data as of December 31, 2023 and 2022, are derived from the audited consolidated financial statements of Bally's Chicago, Inc. included elsewhere in this prospectus. The summary statements of operations and statements of cash flows data for the nine months ended September 30, 2024 and 2023, and the summary balance sheet data as of September 30, 2024 are derived from the unaudited condensed consolidated financial statements of Bally's Chicago, Inc. included elsewhere in this prospectus. The unaudited condensed consolidated financial statements of Bally's Chicago, Inc. have been prepared on the same basis as the audited consolidated financial statements and, in our opinion, include all adjustments, consisting of normal recurring adjustments, necessary to present fairly in all material respects our financial position and results of operations. The results for any interim period are not necessarily indicative of the results that may be expected for the full year. Historical results of operations for the periods presented below are not necessarily indicative of the results to be expected for any future period. The information set forth below should be read together with "*Unaudited Pro Forma Condensed Consolidated Financial Information*," "*Use of Proceeds*," "*Capitalization*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," "*Our Organizational Structure*" and the audited financial statements and the accompanying notes included elsewhere in this prospectus.

The summary unaudited pro forma condensed consolidated financial information of Bally's Chicago, Inc. presented below has been derived from our unaudited pro forma condensed consolidated financial information included elsewhere in this prospectus. The following summary unaudited pro forma condensed consolidated balance sheet as of September 30, 2024 and the unaudited pro forma condensed consolidated statements of operations for the nine months ended September 30, 2024 and the year ended December 31, 2023 give effect to the Transactions and the other events set forth in "*Our Organizational Structure*," including the consummation of this offering and the concurrent private placements, the use of the net proceeds therefrom and related transactions, as described in "*Use of Proceeds*" and "*Unaudited Pro Forma Condensed Consolidated Financial Information,*" as if they all had occurred on January 1, 2023 with respect to the statements of operations data, and September 30, 2024 with respect to the balance sheet data. The summary unaudited pro forma condensed consolidated financial information includes various estimates which are subject to material change and may not be indicative of what our operations or financial position would have been had this offering, the concurrent private placements and related transactions taken place on the dates indicated, or that may be expected to occur in the future. See "*Unaudited Pro Forma Condensed Consolidated Financial Information*" for a complete description of the adjustments and assumptions underlying the summary unaudited pro forma condensed consolidated financial information. The presentation of the summary unaudited pro forma condensed consolidated financial information is prepared in conformity with Article 11 of Regulation S-X.

	Bally's Chicago, Inc. Pro Forma		Bally's Chicago, Inc. Historical			
	Nine Months ended September 30,	Year Ended December 31,	Nine Months Ended September 30,		Year Ended December 31,	Period from May 24, 2022 to December 31,
$ In thousands, except share and per share data	2024	2023	2024	2023	2023	2022
Summary Statements of Operations						
Revenue:						
Gaming	$ 86,851	$ 28,734	$ 86,851	$ 6,493	$ 28,734	$ —
Non-gaming	9,786	3,443	9,786	687	3,443	—

Total revenue	96,937	32,177	96,637	7,180	32,177	—

	Bally's Chicago, Inc. Pro Forma		Bally's Chicago, Inc. Historical			
	Nine Months ended September 30,	Year Ended December 31,	Nine Months Ended September 30,		Year Ended December 31,	Period from May 24, 2022 to December 31,
$ In thousands, except share and per share data	2024	2023	2024	2023	2023	2022
Operating costs and expenses:						
Gaming	44,322	13,430	44,322	3,022	13,430	—
Non-gaming	5,928	2,138	5,928	312	2,138	—
General and administrative	45,398	36,441	45,398	25,418	36,441	15,057
Management fees to Bally's Corporation	45,000	20,680	45,000	5,659	20,680	424
Loss on sale-leaseback	150,000	—	150,000	—	—	—
Depreciation and amortization	13,633	5,705	13,633	1,420	5,705	—
Total operating costs and expenses	304,281	78,394	304,281	35,831	78,394	15,481
Loss from operations	(207,644)	(46,217)	(207,644)	(28,651)	(46,217)	(15,481)
Other income (expense):						
Interest income	1,466	2,778	1,466	2,084	2,778	—
Interest expense, net of amounts capitalized	(13,043)	(21,397)	(6,891)	(10,514)	(13,819)	(2,031)
Other non-operating income (expenses), net	—	893	—	893	893	414
Total other expense, net	(11,577)	(17,726)	(5,425)	(7,537)	(10,184)	(1,617)
Loss before provision for income taxes	(219,221)	(63,943)	(213,069)	(36,188)	(56,365)	(17,098)
Benefit for income taxes	—	—	—	—	—	—
Net (loss)	$(219,221)	$(63,943)	$ (213,069)	$ (36,188)	$ (56,365)	$ (17,098)
Net (loss) attributable to non-controlling interest	(164,416)	(47,957)	—	—	—	—
Net (loss) attributable to Bally's Chicago, Inc.	$ (54,805)	$(15,986)	$ (213,069)	$ (36,188)	$ (56,365)	$ (17,098)
Loss per share – basic and diluted	$ —	$ —	$(2,130,690)	$(361,880)	$(563,650)	$(170,980)
Weighted average common shares outstanding, basic and diluted	—	—	100	100	100	100
Class A-3 and Class A-4 Interests, basic and diluted loss per share	$ (7,118)	$ (2,076)				
Weighted average Class A-3 and Class A-4 Interests outstanding, basic and diluted	7,700	7,700				

$ In thousands	Bally's Chicago, Inc. Pro Forma	Bally's Chicago, Inc. Historical		
	As of September 30,	As of September 30,	As of December 31,	
	2024	2024	2023	2022
Summary Balance Sheet Data				
Cash	$ 17,557	$ 17,557	$ 14,027	$ 1,092
Total assets	581,229	586,255	737,267	286,868
Total current liabilities	45,148	33,440	600,789	28,045
Total liabilities	307,356	871,813	809,756	240,501
Redeemable noncontrolling interest	750,000	—	—	—
Total stockholders' deficit	(476,127)	(285,558)	(72,489)	46,367

Bally's Chicago, Inc. Historical

$ In thousands	Nine Months ended September 30,		Year ended December 31,	Period from May 24, 2022 to December 31
	2024	2023	2023	2022
Summary Statements of Cash Flows Data:				
Net cash used in operating activities	$ (47,218)	$ (34,162)	$ (47,927)	$ (17,704)
Net cash used in investing activities	(110,253)	(163,664)	(326,428)	(208,511)
Net cash provided by financing activities	103,723	265,974	444,568	227,307

$ In thousands	Nine Months ended September 30,		Year ended December 31,	Period from May 24, 2022 to December 31
	2024	2023	2023	2022
Other Data:				
Temporary Casino Adjusted EBITDAR	$ 8,877	$3,540	$ 7,721	$—
Permanent Casino Loss from Operations	$(156,591)	$ (788)	$(2,227)	$—

Temporary Casino Adjusted EBITDAR: We define Temporary Casino Adjusted EBITDAR as earnings, or loss, for the Temporary Casino before interest expense, net of interest income, provision (benefit) for income taxes, depreciation and amortization, non-operating (income) expense, expansion costs, management fees to Bally's Corporation, rent expense from triple net operating leases, and certain other gains or losses.

Permanent Casino Loss from Operations: We define Permanent Casino Loss from Operations as revenue less operating expenses for our Permanent Casino reportable segment.

RISK FACTORS

Investing in our Class A Interests involves a high degree of risk. You should carefully consider the risks described below, together with the other information contained in this prospectus, including our financial statements and the related notes appearing at the end of this prospectus, and the sections in this prospectus entitled "Business" and "Description of Capital Stock," before making any decision to invest in our Class A Interests. If any of the events discussed in the risk factors below occur it could have a material and adverse impact on our business, results of operations, financial condition and cash flows. If that were to happen, the value of our Class A Interests could decline, and you could lose all or part of your investment.

Development and Construction Risks

We are subject to various construction and development risks in connection with our permanent casino and resort in Chicago.

Our proposed lines of business are dependent on the construction and development of our permanent casino and resort in Chicago, Illinois. Construction and development projects, particularly of the scale contemplated with our permanent casino and resort, are often developed in multiple stages involving commercial and governmental negotiations, site planning, due diligence, permit requests, environmental impact studies, permit applications and review, marine logistics planning and transportation and end-user delivery logistics, each of which requires significant effort and dedication to complete. Projects of this type are subject to a number of risks, including, among others:

- engineering, environmental or geological problems;
- shortages or delays in the delivery of equipment and supplies;
- government or regulatory approvals, permits or other authorizations;
- failure to meet technical specifications or adjustments being required based on testing or commissioning;
- construction accidents that could result in personal injury or loss of life;
- lack of adequate and qualified personnel to execute the project for our permanent casino and resort;
- weather interference, particularly during the winter in Chicago;
- delays in removing current tenants from the proposed sites; and
- potential labor shortages, work stoppages or labor union disputes.

Furthermore, because of the nature of our business, we are dependent on numerous third parties, including local, state and federal governmental entities that are required to certificate and license our facilities. Delays from such third parties or governmental entities could prevent us from successfully executing the construction and development of our permanent casino and resort. In addition, as a builder of gaming facilities, we expect to face an intense regulatory process and heightened political pressure to finalize our permanent casino and resort in a timely manner, which subjects us to risks associated with changes in the political views and structure, government representatives, new regulations, regulatory reviews, employment laws and diligence requirements. Each of these could make it more difficult, time-consuming and expensive to develop our permanent casino and resort.

The occurrence of any one of these factors, whatever the cause, could result in unforeseen delays or cost overruns to the construction and development of our permanent casino and resort. Delays in the development beyond our estimated timelines, or amendments or change orders to our construction contracts, could result in increases to our development costs beyond our original estimates, which could require us to obtain additional financing or funding and could make our permanent casino and resort less profitable than originally estimated or possibly not profitable at all. Further, any such delays could cause a delay in our anticipated receipt of revenues from operating our permanent casino and resort. Our inability to meet milestones or conditions precedent in our contracts with Chicago could also lead to delay penalties and potentially a termination of agreements, which could render our permanent casino and resort impossible to open and/or operate. Specifically, the Host Community Agreement with the City of Chicago provides for

---

significant liquidated damages in the event that we do not meet the milestones specified as to our temporary casino and our permanent casino and resort. Our parent, Bally's, has experienced time delays and cost overruns in the construction and development of casinos as a result of the occurrence of various of the above factors, and no assurance can be given that we will not experience in the future similar events, any of which could have a material adverse effect on our business, operating results, cash flows and liquidity.

Any delay between the closing of our temporary casino and the opening of our permanent casino and resort could have a material adverse effect on our financial condition and results of operations.

We may experience a gap between the closing of our temporary casino and the opening of our permanent casino and resort. While we work to construct our permanent casino and resort on the banks of the Chicago River, we have the ability to operate a temporary casino in downtown Chicago for a period up to 24 months. Our temporary casino began operations on September 9, 2023. At the end of the 24-month period, we may petition the Illinois Gaming Board to extend for a period of up to 12 additional months. In no case we will be permitted to operate our temporary casino for a period of greater than 36 months unless otherwise approved by the City of Chicago and the Illinois Gaming Board.

Additionally, there are a number of risks associated with the opening of our permanent casino and resort, including those described elsewhere in this section. For example, the opening of our permanent casino and resort is subject to various construction and development risks, including:

- engineering, environmental or geological problems;
- shortages or delays in the delivery of equipment and supplies;
- government or regulatory approvals, permits or other authorizations;
- failure to meet technical specifications or adjustments being required based on testing or commissioning;
- construction accidents that could result in personal injury or loss of life;
- lack of adequate and qualified personnel to execute the project for our permanent casino and resort;
- weather interference, particularly during the winter in Chicago;
- delays in removing current tenants from the proposed sites; and
- potential labor shortages, work stoppages or labor union disputes.

In addition, we have not yet entered into binding contracts for the construction and development of all of our planned facilities and assets for our permanent casino and resort, and may not be able to enter into the contracts required on commercially favorable terms, or at all, which could cause potential changes or delays to our planned development and construction schedule. Also, any failure to maintain working capital sufficient for the project, business disruptions due to pandemic, crime or civil unrest and potential legal proceedings could put our planned schedule at risk of delay.

If we are unable to commence the operation of our permanent casino and resort as expected, and thus a gap exists between the closing of our temporary casino and the opening of our permanent casino and resort, our business, operating results, cash flows and liquidity could be materially and adversely affected.

We will depend on third-party contractors, operators and suppliers to develop and construct our permanent casino and resort.

We will be heavily reliant on third-party contractors, equipment manufacturers, suppliers and operators for the development and construction of our permanent casino and resort. We have not yet entered into binding contracts for the construction and development of all of our planned facilities and assets in Chicago, and we cannot assure you that we will be able to enter into the contracts required on commercially favorable terms, or at all, which could expose us to fluctuations in pricing and potential changes or delays to our planned development and construction schedule. These agreements with third parties will be the result of arm's-length negotiations and subject to change. If we are unable to enter into favorable contracts, we may not be able to construct and operate these assets as expected, or at all.

Furthermore, there can be no assurance that contractors and suppliers will perform their obligations successfully under their agreements with us. If any contractor is unable or unwilling to perform according to the negotiated terms and timetable of its respective agreement with us for any reason or terminates its agreement with us for any reason, we would be required to engage a substitute contractor, which could be particularly difficult. Although some agreements may provide for liquidated damages if the contractor or subcontractor fails to perform in the manner required with respect to its obligations, the events that trigger such liquidated damages may delay or impair the opening or operation of our planned facilities, and any liquidated damages that we receive may be delayed or insufficient to cover the damages that we suffer as a result of any such delay or impairment, including, among others, any covenants or obligations by us to or penalties under our agreements with Chicago. Such liquidated damages may also be subject to caps on liability, and we may not have full protection to seek payment from our contractors to compensate us for such payments and other consequences. Furthermore, we may have disagreements with our contractors about different elements of the construction process, which could lead to the assertion of rights and remedies under their contracts and increase the cost of the applicable facility or result in a contractor's unwillingness to perform further work.

If we are unable to construct and commission our permanent casino and resort as expected, or, when and if constructed, our permanent casino and resort does not accomplish our or Chicago's goals, or if we experience delays or cost overruns in construction, our business, operating results, cash flows and liquidity could be materially and adversely affected.

We expect to invest significant capital and resources to develop our permanent casino and resort, which means that we are subject to the risk that our permanent casino and resort is not successfully developed or that the City of Chicago does not fulfill its obligations to us following our capital investment in our permanent casino and resort.

Our permanent casino and resort requires us to make significant upfront capital investments and devote significant internal time and resources to finalize our permanent casino and resort before we can start to generate revenue from the business. We do not expect to generate meaningful revenues until our permanent casino and resort has been opened to the public for some period of time, which may take a year or more to achieve from the opening of our permanent casino and resort.

If our permanent casino and resort is not successfully developed for any reason, we face the risk of not recovering some or all of our invested capital, which may be significant. If our permanent casino and resort is successfully developed, we face the risks that customers will not enjoy our permanent casino and resort or that Chicago will hinder our ability to operate our permanent casino and resort as intended, which could result in significantly lower revenues than what we currently anticipate. Our contracts and development agreements with Chicago do not fully protect us against this risk and, in some instances, may not provide any meaningful protection from this risk at all. This risk is heightened by the fact that our counterparty is a government or government-related entity because any attempt to enforce our contractual or other rights may involve long and costly litigation where the ultimate outcome is uncertain, and where the government or government-related entity may enjoy some form of immunity or popular support. Additionally, as a government or government-related entity, our counterparty is subject to political pressure and frequent administrative changes, which could result in different perspectives and treatment over the life of our commercial agreements to construct, develop and operate our permanent casino and resort.

If our capital investment does not generate the type of return on investment that we expect, we will have less capital to continue to develop and improve our permanent casino and resort, and our liquidity, results of operations and financial condition could be materially and adversely affected. This could result in our inability to comply with the terms of our existing debt or other agreements, which would exacerbate the aforementioned adverse effects.

We may experience supply chain or procurement disruptions, or increased supply chain costs, which may lead to construction and development delays in our permanent casino and resort.

The construction and development of our permanent casino and resort is planned for a relatively long-term construction schedule, with our permanent casino and resort expected to open to the public in

September 2026. The construction and development of our permanent casino and resort will require timely delivery of required equipment and materials in order to be open to the public by such date.

The global supply chain for the required equipment and materials could be impacted by disruptions that could lead to delays, reputational damage, interruptions of service and disruptions of our future plans and strategic initiatives, such as:

- political events;
- banking industry turmoil;
- international trade disputes;
- acts of terrorism;
- hostilities or wars (such as the war in Ukraine and conflict in the Middle East);
- natural disasters;
- public health issues, such as the COVID-19 global pandemic;
- industrial accidents;
- inflation; and
- other business interruptions.

While we will obtain customary builder's risk insurance to provide coverage during the construction of our permanent casino and resort, such coverage may only cover some, but not all, of any losses or damages incurred during construction. If any such delay or disruption were to occur, it could have a material adverse effect on our ability to execute the construction and development of our permanent casino and resort, which could have an impact on our liquidity and financial condition.

Changes in the costs of procuring materials and equipment used in the construction and development of our permanent casino and resort, including vendor costs, or changes in our relationships with vendors, could also have an adverse effect on our results of operations. Further, during the COVID-19 pandemic, our affiliates observed increases in the prices for certain raw materials required to operate gaming establishments. In addition, as a result of the 2024 U.S. Presidential Election, Donald J. Trump was elected President of the United States. Mr. Trump has threatened to impose additional tariffs of as a high as 25% on goods imported from various countries, including Canada, China and Mexico. If implemented, these tariffs could cause the costs of procuring materials and equipment used in the construction and development of our permanent casino and resort to significantly increase. To the extent we determine our costs to develop our permanent casino and resort are too high, we may suspend, reduce the scope of or permanently abandon the implementation of our plans with respect to our permanent casino and resort, which could have material and adverse effects on our plans and strategic initiatives.

Though we intend to undertake various proactive efforts to secure our global supply chain against the effects of COVID-19 and the impact of the war in Ukraine and conflict in the Middle East, their full extent and impact on our future supply chain and procurement process cannot be reasonably estimated at this time, and it could have a material adverse impact on our business and financial condition.

Failure to maintain sufficient working capital could limit our growth and harm our business, financial condition and results of operations.

During the first several years of development and construction of our permanent casino and resort, we will have significant working capital requirements as we work to make the facilities ready to admit potential customers. If we do not have sufficient working capital, we may not be able to pursue our growth strategy, respond to competitive pressures or fund key strategic initiatives, which may harm our business, financial condition and results of operations.

The casino, hotel and hospitality industry is capital intensive and we may not be able to finance development, expansion and renovation projects, which could put us at a competitive disadvantage.

Our permanent casino and resort will have an ongoing need for renovations and other capital

improvements to remain competitive, including room refurbishments, amenity upgrades and replacement,

from time to time, of furniture, fixtures and equipment. We may also need to make capital expenditures to comply with applicable laws and regulations. Construction projects entail significant risks, which can substantially increase costs of or delay a project. Such risks include shortages of materials or skilled labor, unforeseen engineering, environmental or geological problems, work stoppages, weather interference and unanticipated cost increases. Most of these factors are beyond our control. In addition, difficulties or delays in obtaining any of the requisite licenses, permits or authorizations from regulatory authorities can increase the cost or delay of expansion or development. Significant budget overruns or delays with respect to expansion and development projects could adversely affect our business and results of operations.

Renovations and other capital improvements of casino properties, in particular, require significant capital expenditures. In addition, any such renovations and capital improvements usually generate little or no cash flow until the projects are operational. We may not be able to fund such projects solely from cash provided from operating activities. Consequently, we may have to rely upon the availability of debt or equity capital to fund renovations and capital improvements, and our ability to carry them out will be limited if we cannot obtain satisfactory debt or equity financing, which will depend on, among other things, market conditions. We cannot assure you that we will be able to obtain additional equity or debt financing on favorable terms, or at all. Our failure to renovate and maintain gaming and entertainment venues from time to time may put us at a competitive disadvantage to gaming and entertainment venues offering more modern and better maintained facilities, which could adversely affect our business, financial condition and results of operations.

Our investments in the construction and building industry are subject to unique risks relating to regulatory changes and global economic conditions.

Companies in the construction and building sector are subject to many risks, including the negative impact of regulation, changing real estate market, a competitive marketplace and difficulty in obtaining financing. Any of these factors could materially and adversely affect our operations, or the operations of third parties we have engaged, in connection with the construction and building of our permanent casino and and resort, in turn, access to capital may be difficult or impossible for us to obtain.

The renderings included in this prospectus are artistic representations of our current proposed design for the permanent casino and resort and are subject to change.

The renderings included in this prospectus are artistic representations of our current proposed design for the permanent casino and resort, are subject to change and should not be unduly relied upon when deciding to purchase securities in this offering. These illustrations are intended solely for illustrative purposes and are subject to revision for a variety of reasons, including cosmetic, marketing, permitting, zoning and financing. They are provided to help investors visualize the current planned design, which may not be accurately depicted and is subject to modification at any time. The design, features, and amenities of the permanent casino and resort depicted in the renderings and described in this prospectus are also subject to change. We do not own or control the land outside of our permanent casino and resort, and therefore cannot guarantee its current or future use. Any views shown are for illustrative purposes only and do not depict the buildings and landscaping of neighboring properties. We cannot guarantee that neighboring properties or existing views will remain unchanged or unobstructed in the future. In light of the above, investors are advised to consider these renderings in context and not to place undue reliance on them.

Risks Related to our Leases

Both our temporary casino site and permanent casino and resort site are leased and could experience risks associated with leased properties, including risks relating to lease termination, inability to obtain satisfactory lease extensions, consents and approvals, charges and our relationship with landlords, which could have a material adverse effect on our business, financial position or results of operations.

Both our temporary casino site and permanent casino and resort site are leased and could experience risks associated with leased properties, including risks relating to lease termination, inability to obtain satisfactory lease extensions, consents and approvals, charges and our relationship with landlords, which could have a material adverse effect on our business, financial position or results of operations. In

---

November 2022, we entered into a ground lease with BACHIL001 LLC, as landlord (together with its successors and assigns in such capacity, the "Oak Street Landlord"), an affiliate of Oak Street Real Estate Capital, LLC (the "Oak Street Lease Agreement"), to lease the property on which we plan to develop our permanent casino and resort.

The Oak Street Landlord has certain material approval rights under the Oak Street Lease Agreement, including over certain transfers, alterations and zoning decisions. The failure to obtain the Oak Street Landlord's consent to any of the foregoing could have a material adverse effect on our business, financial position or results of operations, and the undertaking of any such action without the Oak Street Landlord's consent could result in an event of default, which would give the Oak Street Landlord the right to terminate the Oak Street Lease Agreement.

The Oak Street Landlord also has the right to terminate the Oak Street Lease Agreement upon any event of default. Such events of default include, without limitation, a failure to pay amounts due after applicable notice and cure periods, certain bankruptcy or insolvency events, and the failure to comply with a variety of covenants after applicable notice and cure periods, including those related to the development of our permanent casino and resort, repair and maintenance, alterations and insurance. There are also certain restrictions on our ability to assign our interest in the Oak Street Lease Agreement without having to obtain the Oak Street Landlord's prior consent, including requirements for the transferee (or its parent company or other controlling entity) to satisfy certain financial metrics and have a certain level of experience in operating or managing casinos. In some cases, a transferee's parent company or other controlling entity would need to deliver to the Oak Street Landlord a guaranty of the transferee's obligations as a condition to any assignment.

On July 11, 2024, Bally's entered into the GLP Term Sheet with GLP for a strategic construction and financing arrangement, including up to $940.0 million of funding for the construction of our permanent casino and resort. In connection therewith, GLP acquired the fee interest in the property on which we plan to develop our permanent casino and resort from the Oak Street Landlord and succeeded to the Oak Street Landlord's interest as landlord under the Oak Street Lease Agreement. We intend to enter into (x) a new ground lease with GLP (the "GLP Lease Agreement") to lease such property and (y) a development agreement with GLP (the "GLP Development Agreement") pursuant to which GLP will commit to advance up to $940 million (the "GLP Development Advances") for the payment of hard costs used to construct our permanent casino and resort in exchange for increasing the amount of rent that we pay to GLP under the GLP Lease Agreement. Upon entering into the GLP Lease Agreement and the GLP Development Agreement, the Oak Street Lease Agreement will be terminated. The GLP Lease Agreement will have a 15-year term followed by multiple renewal terms to be agreed between us and GLP, and rent payable under the GLP Lease Agreement will be (a) $20.0 million annually, subject to annual escalations to be set forth therein, plus (b) an annual amount equal to 8.5% of the GLP Development Advances that GLP advances to us. In addition, Bally's agreed in the GLP Term Sheet to (a) sell and lease back the real property underlying Bally's Kansas City and Bally's Shreveport and (b) amend its contribution agreement with GLP with respect to Twin River Lincoln pursuant to which Bally's (or its applicable subsidiary) will sell and lease back the underlying real property, in each case, pursuant to a new master lease agreement (the "New Bally's Master Lease Agreement") with GLP.

The terms and conditions of the GLP Lease Agreement are expected to be substantially the same as that certain Master Lease, dated June 3, 2021 (the "Existing Bally's Master Lease Agreement" and, together with the New Bally's Master Lease Agreement, the "Bally's Master Lease Agreements"), by and between Bally's Management Group, LLC, an affiliate of Bally's, and GLP, except as modified by the terms set forth in the GLP Term Sheet. GLP will have the right to terminate the GLP Lease Agreement upon any event of default under the GLP Lease Agreement. Such events of default are expected to include, without limitation, a failure to pay amounts due after applicable notice and cure periods, certain bankruptcy or insolvency events, a cross-default with the GLP Development Agreement and the failure to comply with a variety of covenants after applicable notice and cure periods, including those related to the development of our permanent casino and resort, repair and maintenance, alterations and insurance. In addition, the GLP Lease Agreement will be amended to add a cross-default to the Bally's Master Lease Agreements upon any

refinancing, extension or majority amendment of Bally's existing credit facilities.

There will also be certain restrictions on our ability to assign our interest in the GLP Lease Agreement without having to obtain GLP's prior consent, including requirements for the transferee (or its parent company) to satisfy certain financial metrics and have a certain level of experience in operating or managing casinos.

GLP's obligation to make GLP Development Advances under the GLP Development Agreement will be subject to certain conditions, including the following: (a) we shall have unrestricted access to funds in an amount sufficient at the time of each GLP Development Advance to fund the construction of our permanent casino and resort and (b) all of the definitive documents required by the GLP Term Sheet shall have been signed, or, if such definitive documents cannot be signed without regulatory approval required under applicable law and such regulatory approval is the sole condition precedent to the signing of such definitive documents, such definitive documents are in final form and have been submitted for regulatory approval. We will be obligated to construct our permanent casino and resort in compliance with terms and conditions to be set forth in the GLP Development Agreement, which are expected to be customary and reasonable for large scale multi-phase developments and are expected to include the satisfaction of to-be-specified development and construction milestones.

The GLP Development Agreement will contain customary representations and covenants by us and will contain funding conditions in each case which are customary and reasonable for large scale multi-phase developments, including, without limitation, (a) GLP's reasonable approval of plans and specifications, the project budget (including amendments thereto and reallocations therein except those to be permitted under the GLP Development Agreement), the project schedule, the underlying construction and architect contracts, and all change orders (subject to exceptions to be set forth in the GLP Development Agreement), (b) GLP's receipt of appropriate lien waivers, (c) budget balancing requirements, (d) retainage requirements, (e) the identification of a GLP representative as "owners representative" under the construction contract, and (f) other customary conditions, all to be set forth in the GLP Development Agreement. The GLP Development Agreement will also contain defaults and remedies which are customary and reasonable for large scale multi-phase developments, including, without limitation, a cross-default with the GLP Lease Agreement. We will not be permitted to assign, finance, transfer, pledge or encumber our interest in the GLP Development Agreement without GLP's prior written consent, whether or not any such assignment, financing, transfer, pledge or encumbrance is permitted with respect to the GLP Lease Agreement, other than to a permitted leasehold mortgagee under the GLP Lease Agreement.

The terms and conditions of the GLP Lease Agreement and the GLP Development Agreement are subject to ongoing negotiations between us and GLP, and no guarantees can be given that we will enter into the GLP Lease Agreement or the GLP Development Agreement on the terms described herein or at all. We expect to consummate the GLP Lease Agreement and terminate the Oak Street Lease Agreement in the first quarter of 2025.

In addition to the Oak Street Lease Agreement and, if entered into, the GLP Lease Agreement, we also entered into a sublease agreement with Medinah Holdings, LLC and Medinah Building LLC (the "Medinah Lease Agreement" and, together with the Oak Street Lease Agreement and the GLP Lease Agreement, the "Casino Lease Agreements"), to lease the property on which we developed our temporary casino. The consent of the sublandlord under the Medinah Lease Agreement (the "Medinah Sublandlord") is generally required for any assignments of our interests thereunder, except with respect to transfers to affiliates or successors by merger or acquisition. The Medinah Sublandlord has the right to terminate the Medinah Lease Agreement upon any event of default under the Medinah Lease Agreement. Such events of default include: the failure to timely pay rent, carry (or provide evidence of) required insurance, or perform any other covenant under the Medinah Lease Agreement, in each case subject to the notice and cure periods provided therein, certain bankruptcy or insolvency events, and a failure to surrender the subleased premises on the last day of the term of the Medinah Lease Agreement. Further, the Medinah Lease Agreement is subordinate to a master lease, and certain defaults by the Medinah Sublandlord in its capacity as tenant under the master lease could result in a termination thereof, which could result in a termination of the Medinah Lease Agreement.

Termination of any or all of the Casino Lease Agreements (including as a result of a default under the GLP Development Agreement) would result in us losing some or all of our rights with respect to the applicable properties, could result in a default under the Host Community Agreement, and could have a material adverse effect on our business, financial position or results of operations. In the event of a

termination

of any of the Casino Lease Agreements (including as a result of a default under the GLP Development Agreement), we may be required to transfer all personal property located at the applicable property to a designated successor, and we may not be adequately compensated for that personal property. Moreover, since as a lessee we do not completely control the land and improvements underlying our operations, the lessors could take certain actions to disrupt our rights in the properties leased under the Casino Lease Agreements, which are beyond our control. If the lessors chose to disrupt our use either permanently or for a significant period of time, then the value of our assets could be impaired and our business and operations could be adversely affected. There can also be no assurance that we will be able to comply with our obligations under the Casino Lease Agreements (including our obligations under the GLP Development Agreement) in the future. In addition, if the lessors have financial, operational, regulatory or other challenges, there can be no assurance that the lessors will be able to comply with their obligations under the Casino Lease Agreements, including their obligations to provide us financing for the construction of our permanent casino and resort.

General Economic and Political Conditions

Our proposed lines of business are highly sensitive to reductions in discretionary consumer spending.

Our proposed lines of business are highly sensitive to reductions from time to time in discretionary consumer spending. Demand for entertainment and leisure activities, including gaming, can be affected by changes in the economy and consumer tastes, both of which are difficult to predict and beyond our control. Unfavorable changes in general economic conditions, including recessions, economic slowdowns, sustained high levels of unemployment and rising prices or the perception by consumers of weak or weakening economic conditions, may reduce our prospective customer’s disposable income or result in fewer individuals engaging in entertainment and leisure activities, such as visiting casinos and casino hotel properties, sports betting, iCasino and online bingo, some of which are services we intend to offer. We will rely on the strength of the regional and local economy for the performance of our temporary casino and our permanent casino and resort. As a result, we cannot ensure that demand for our offerings will remain constant. Adverse developments affecting economies throughout the world, including a general tightening of the availability of credit, increasing energy costs, rising prices, acts of war or terrorism, natural disasters, declining consumer confidence, significant declines in the stock market or epidemics, pandemics or other health-related events or widespread illnesses, like the COVID-19 pandemic, could lead to a reduction in visitors to our temporary casino and our permanent casino and resort or discretionary spending by our customers on entertainment and leisure activities, which could adversely affect our business, financial condition and results of operations.

Recent turmoil in the banking industry may negatively impact our business, results of operations and financial condition.

Actual events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions, other companies in the financial services industry or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems. For example, the March 2023 failures of Silicon Valley Bank and Signature Bank, liquidity issues at Credit Suisse, government responses and resulting investor concerns regarding the U.S. or international financial systems could result in less favorable commercial financing terms, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, making it more difficult for us to acquire financing on acceptable terms or at all. Any material decline in available funding or our ability to access our cash and cash equivalents could adversely impact our ability to meet our operating expenses, have a material adverse effect on our financial condition, as well as our ability to continue to grow our operations.

Business interruptions in Chicago due to crime or civil unrest could adversely affect us.

Our business and our assets are planned to be primarily located in Chicago, Illinois, which is a large city. Perceptions of high incidences of crime at or in the vicinity of any of the facilities that we operate and intend to operate, including our temporary casino and our permanent casino and resort, may give rise to concerns about lack of personal safety among our patrons, which could result in a decline in customer traffic

and spending patterns, which would result in a decline in revenue. Our business interruption insurance

---

and coverage for malicious attacks may only cover some, but not all, of these potential events, and even for those events that are covered, it may not be sufficient to compensate us fully for losses or damages that may occur as a result of such events, including, for example, loss of market share and diminution of our trademarks, reputation and consumer loyalty. Any one or more of these events could have a material adverse effect on our business, results of operation, financial condition and/or cash flow.

Political uncertainty could adversely affect our business.

U.S. and non-U.S. markets could experience political uncertainty and/or change that subjects investments to heightened risks, including, for instance, risks related to the elections in the United States, the war in Ukraine, the conflict in the Middle East, or the effect of the COVID-19 pandemic on world leaders and governments. These heightened risks could also include:

- increased risk of default (by both government and private issuers);
- greater social, trade, economic and political instability (including the risk of war or terrorist activity);
- greater governmental involvement in the economy;
- greater governmental supervision and regulation of the securities markets and market participants resulting in increased expenses related to compliance;
- greater fluctuations in currency exchange rates;
- controls or restrictions on foreign investment and/or trade, capital controls and limitations on repatriation of invested capital and on the ability to exchange currencies;
- inability to purchase and sell investments or otherwise settle security or derivative transactions (i.e., a market freeze);
- unavailability of currency hedging techniques; and
- slower clearance.

During times of political uncertainty and/or change, global markets often become more volatile. There could also be a lower level of monitoring and regulation of markets while a country is experiencing political uncertainty and/or change, and the activities of investors in such markets and enforcement of existing regulations could become more limited. Markets experiencing political uncertainty and/or change could have substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates typically have negative effects on such countries' economies and markets. Tax laws could change materially, and any changes in tax laws could have an unpredictable effect on us, our investments and our investors. There can be no assurance that political changes will not cause us or our investors to suffer losses.

Risks Related to Competition

Chicago is still not known as a location for gaming tourism and, therefore, we face significant competition from both regional and national gaming centers.

The Illinois Gambling Act established the Illinois Gaming Board and authorized up to ten casino licenses. Currently, all ten original licenses are active. In July 2009, Public Act 96-0034 became law, creating the Illinois Video Gaming Act. Since 2009, Video Gaming has rapidly expanded across Illinois. On June 28, 2019, Illinois Governor J.B. Pritzker signed the gaming expansion bill into law which permits sports wagering, including online/mobile, a Chicago casino, five additional casinos, slots and table games at racetracks, possible slots at the Chicago airports, an additional video gaming terminal ("VGT") at each establishment and in some instances five additional VGTs, and the opportunity for existing casinos to move to land-based operations or purchase additional gaming positions. As of the end of November 2024, there were over 48,000 VGTs spread throughout 8,600 licensed establishments.

The market for gaming, hotel and other entertainment facilities in Chicago is rapidly evolving but remains in its infancy. While Illinois is undergoing expansion since various states started to liberalize

gaming (including sports betting), Chicago is still not known as a location for gaming tourism and, therefore, subject to significant competition from both regional and national gaming centers. An underserved and untapped market, the City of Chicago is served by the Rivers Casino in a suburb of Chicago, the northwestern Indiana casinos, a retail sports book at the United Center, a retail sports book opening at Wrigley Field in 2023 and the Waukegan casino. In addition, Hawthorne Race Course has submitted an application for a gaming license to open a "racino."

The gaming industry, including retail casinos, iGaming and sports wagering, is highly competitive and increased competition, including through legislative legalization or expansion of gaming by states in or near Illinois or through Native American gaming facilities, could adversely affect our financial results.

Once our permanent casino and resort is open and operational, we will face significant competition in all of the areas in which we conduct our business. Currently, there are approximately 17 gaming centers located within a 100-mile radius of our location. Also, the Hawthorne Race Course has submitted an application for a gaming license to open a "racino" approximately 10 miles from our permanent casino and resort site. Increased competitive pressures may adversely affect our ability to continue to attract customers or affect our ability to compete efficiently.

Our temporary casino is, and our permanent casino and resort will be, located in a jurisdiction that restricts gaming to certain areas and/or may be affected by state laws that currently prohibit or restrict gaming operations. We also face the risk that existing casino licensees in Illinois and in nearby states will expand their operations and the risk that Native American gaming will continue to grow, both throughout Illinois and in nearby states. Budgetary and other political pressures faced by state governments could lead to intensified efforts directed at the legalization of gaming in jurisdictions where it is currently prohibited. The legalization of gaming in such jurisdictions could be an expansion opportunity for our business, or create competitive pressures, depending on where the legalization occurs and our ability to capitalize on it. Our ability to attract customers could be significantly and adversely affected by the legalization or expansion of gaming in certain jurisdictions and by the development or expansion of Native American casinos in areas where our customers may visit.

In addition, our competitors in Illinois and in nearby states may refurbish, rebrand or expand their casino offerings, which could result in increased competition. Furthermore, changes in ownership may result in improved quality of our competitors' facilities, which may make such facilities more competitive. Certain of our competitors are large gaming companies with greater name recognition and marketing and financial resources. In some instances, particularly in the case of Native American casinos, our competitors pay lower taxes or no taxes. These factors create additional challenges for us in competing for customers and accessing cash flow or financing to fund improvements for our casino and entertainment products that enable us to remain competitive.

We expect to experience strong competition in hiring and retaining qualified property and corporate management personnel, including competition from Native American gaming facilities that are not subject to the same taxation regimes as we are and therefore may be willing and able to pay higher rates of compensation. From time to time, a number of vacancies in key corporate and property management positions can be expected. If we are unable to successfully recruit and retain qualified management personnel at our facilities or at the corporate level, our results of operations could be adversely affected.

We will also compete with other forms of legalized gaming and entertainment such as bingo, pull-tab games, card parlors, sportsbooks, pari-mutuel or simulcast betting on horse and dog racing, state-sponsored lotteries, instant racing machines, video lottery terminals ("VLT") (including racetracks that offer VLT) and video poker terminals. In the future, we may also compete with gaming or entertainment at other venues. Further competition from Internet lotteries and other Internet wagering gaming services, which allow their customers to wager on a wide variety of sporting events and play Las Vegas-style casino games from home, could divert customers from the facilities we own and thus adversely affect our business. Such Internet wagering services are likely to expand in future years and become more accessible to domestic gamblers as a result of U.S. Department of Justice positions related to the application of federal laws to intrastate Internet gaming and initiatives in some states to consider legislation to legalize intrastate Internet wagering.

The law in this area has been rapidly evolving, and additional legislative developments may occur at the federal and state levels that would accelerate the proliferation of certain forms of Internet gaming in Illinois and in nearby states.

In addition, in May 2018, the U.S. Supreme Court struck down as unconstitutional the Professional and Amateur Sports Protection Act of 1992, a federal statute enacted to stop the spread of state-sponsored sports gambling. This decision lifted federal restrictions on sports wagering and allows each state to determine by itself the legality of sports wagering within its jurisdiction. While new federal online gaming legislation has been introduced in Congress from time to time, there has been no federal legislative response to the U.S. Supreme Court's decision. As a result, numerous states, including Illinois and states located near Illinois, have passed legislation authorizing fixed-odds sports betting online. This decreases our ability to serve as a hub for sports betting, as customers can access sports betting throughout Illinois and nearby states without needing to venture to our temporary casino or our permanent casino and resort, which results in decreased traffic and reduced potential revenue generation.

We may also face competition from other gaming facilities which are able to offer sports wagering services (including mobile sports wagering) following the enactment of applicable legislation. Numerous states that border Illinois have pending or proposed legislation which would allow for sports betting, each of which could have an adverse effect on our financial results by further reducing the foot traffic to our temporary casino or our permanent casino and resort.

The gaming industry is characterized by an increasingly high degree of competition among a large number of participants operating from physical locations and/or through online or mobile platforms, and other forms of gaming in the United States. Recently, there has been additional significant competition in our markets as a result of the upgrading or expansion of properties by existing market participants, the entrance of new gaming participants into a market or legislative changes permitting additional forms of gaming. As competing properties and new markets open, our results of operations may be negatively impacted. We expect each existing or future market in which we participate to be highly competitive.

Existing and new competitors may also increase marketing spending, including to unprofitable levels, in an attempt to distort the online gambling market to build market share quickly. Some of our competitors have or will have significantly greater financial, technical, marketing and sales resources and may be able to respond more quickly to changes in customer needs. Additionally, these competitors may be able to devote a greater number of resources to the enhancement, promotion and sale of their games and gaming systems. Our future success is or will be dependent upon its ability to retain its current customers and to acquire new customers. Failure to do so could result in a material adverse effect on our business, financial condition and results of operations.

Compliance, Regulatory and Legal Risks

We are and will be subject to extensive state and local regulation and licensing, and gaming authorities have significant control over our operations, which could have an adverse effect on our business.

Our ownership and operation of our temporary casino is, and our permanent casino and resort will be, subject to extensive state and local regulation, and regulatory authorities at the state and local levels have broad powers with respect to the licensing of these businesses, and may reject, revoke, suspend, condition, fail to renew or limit our gaming or other licenses, impose substantial fines and take other actions, each of which poses a significant risk to our business, results of operations and financial condition. We have applied to hold all state and local licenses and related approvals necessary to conduct our intended operations in our temporary casino and our permanent casino and resort, and will be required to periodically apply to renew many of these licenses and registrations and have the suitability of certain of our directors, officers and employees renewed. On October 26, 2023, we obtained a four-year owners license from the Illinois Gaming Board. This license will expire on October 25, 2027 and may be renewed for subsequent four-year terms. The license issued to casino operators is referred to as an "owners license" and is issued by the Illinois Gaming Board for a period of up to four years. The owners license may then be renewed for subsequent four-year terms. On October 26, 2023, the Illinois Gaming Board also approved extending the operation of our temporary casino until September 9, 2026. If our permanent casino and resort is not opened by September 9, 2026, when the temporary casino's right to operate expires under current law, our public operations may

need to be ceased until the permanent casino and resort is able to open unless the law is changed to permit a further extension of our temporary casino operations and that extension is approved by the Illinois Gaming Board (if required at that time). There can be no assurance that we will be able to obtain all necessary licenses, that we will be able to secure any required renewals or that we will be able to obtain future approvals that would allow us to continue to run our gaming operations in our temporary casino or our permanent casino and resort. Any failure to obtain, maintain or renew existing licenses, registrations, permits or approvals or difficulty or delay in doing so would have a material adverse effect on us. As we expand our gaming operations to offer new and improved options for customers, we may have to meet additional suitability requirements and obtain additional licenses, registrations, permits and approvals from gaming authorities in these jurisdictions. The approval process can be time-consuming and costly and we cannot be sure that we will be successful. Furthermore, if additional gaming laws or regulations are adopted in jurisdictions where we operate, these regulations could impose additional restrictions or costs that could have a significant adverse effect on us.

Gaming authorities in Illinois generally require that any beneficial owner of our securities file an application for a finding of suitability. If a gaming authority requires a record or beneficial owner of our securities to file a suitability application, the owner must generally apply for a finding of suitability within 30 days or at an earlier time prescribed by the gaming authority. The gaming authority has the power to investigate such an owner's suitability and the owner must pay all costs of the investigation. If the owner is found unsuitable, then the owner may be required by law to dispose of his or her shares in the Company.

Our officers, directors and key employees are also subject to a variety of regulatory requirements and various licensing and related approval procedures in Illinois. If the Illinois gaming authority were to find any of our officers, directors or key employees unsuitable for licensing or unsuitable to continue having a relationship with us, we would have to sever all relationships with that person. Furthermore, Illinois gaming authority may require us to terminate the employment of any person who refuses to file appropriate applications. Either result could adversely affect our gaming operations.

Applicable gaming laws and regulations may restrict our ability to issue certain securities, incur debt and undertake other financing activities. Such transactions would generally require notice and/or approval of applicable gaming authorities, and our financing counterparties, including lenders, might be subject to various licensing and related approval procedures in the various jurisdictions in which we manage gaming facilities. Applicable gaming laws further limit our ability to engage in certain competitive activities and impose requirements relating to the composition of our Board and senior management personnel. If state regulatory authorities were to find any person unsuitable with regard to his, her or its relationship to us or any of our subsidiaries, we would be required to sever our relationship with that person, which could materially adversely affect our business.

We are subject to numerous federal, state and local laws that may expose us to liabilities or have a significant adverse impact on our operations. Changes to any such laws could have a material adverse effect on our operations and financial condition.

Our business is subject to a variety of federal, state and local laws, rules, regulations and ordinances. These laws and regulations include, but are not limited to, restrictions and conditions concerning alcoholic beverages, environmental matters, employees, currency transactions, taxation, zoning and building codes and marketing and advertising. Such laws and regulations could change or could be interpreted differently in the future, or new laws and regulations could be enacted. Material changes to any of the laws, rules, regulations or ordinances to which we are subject, new laws or regulations or material differences in interpretations by courts or governmental authorities could have an adverse effect on our business, financial condition and results of operations.

Our employees, especially those that interact with our customers, receive a base salary or wage that is established by applicable Illinois and federal laws that establish a minimum hourly wage that is, in turn, supplemented through tips and gratuities from customers. From time to time, Illinois and U.S. lawmakers have increased the minimum wage. It is difficult to predict when such increases may take place. Any such change to the minimum wage could have a material adverse effect on our business, financial condition and

results of operations.

The sale of alcoholic beverages is a highly regulated and taxed business. Federal, state and local laws and regulations govern the production and distribution of alcoholic beverages, including permitting, licensing, trade practices, labeling, advertising, marketing, distributor relationships and related matters. Federal, state and local governmental entities also levy various taxes, license fees and other similar charges and may require bonds to ensure compliance with applicable laws and regulations. Failure to comply with applicable federal, state or local laws and regulations could result in higher taxes, penalties, fees and suspension or revocation of permits, licenses or approvals and could have a material adverse effect on our business, financial condition and results of operations. From time to time, local and state lawmakers, as well as special interest groups, have proposed legislation that would increase the federal and/or state excise tax on alcoholic beverages or certain types of alcoholic beverages. If federal or state excise taxes are increased, we may have to raise prices to maintain profit margins on the sales of any alcoholic beverages. Higher taxes may reduce overall demand for alcoholic beverages, thus negatively impacting sales of our alcoholic beverages at our temporary casino or our permanent casino and resort. Further federal or state regulation may be forthcoming that could further restrict the distribution and sale of alcohol products. Any material increases in taxes or fees or the adoption of additional taxes, fees or regulations could have a material adverse effect on our business, financial condition and results of operations.

In addition, each restaurant we operate must obtain a food service license from local authorities. Failure to comply with such regulations could cause our licenses to be revoked or our related restaurant business or businesses to be forced to cease operations. Moreover, Illinois liquor laws may prevent the expansion of restaurant operations or interfere with the manner in which we intend to operate our restaurants.

We handle significant amounts of cash in our operations and are subject to various reporting and anti-money laundering laws and regulations. Recently, U.S. governmental authorities have evidenced an increased focus on compliance with anti-money laundering laws and regulations in the gaming industry. Any violation of anti-money laundering laws or regulations could have a material adverse effect on our business, financial condition and results of operations. Internal control policies and procedures and employee training and compliance programs that we intend to implement will attempt to deter prohibited practices, but they may not be effective in prohibiting our future employees, contractors or agents from violating or circumventing our policies and the law. If we or our employees or agents fail to comply with applicable laws or our policies governing our operations, we may face investigations, prosecutions and other legal proceedings and actions which could result in civil penalties, administrative remedies and criminal sanctions. Any such government investigations, prosecutions or other legal proceedings or actions could have a material adverse effect on our business, financial condition and results of operations.

We may be subject to extensive environmental regulation, which creates uncertainty regarding future environmental expenditures and liabilities.

We may in the future be subject to various federal, state and local environmental laws and regulations that govern activities that may have adverse environmental effects, such as discharges to air and water, as well as the management and disposal of solid, animal and hazardous wastes and exposure to hazardous materials. These laws and regulations, which are complex and subject to change, include U.S. Environmental Protection Agency regulations. Compliance with these and other environmental laws can, in some circumstances, require significant capital expenditures.

We expect to also be subject to laws and regulations that create liability and cleanup responsibility for releases of regulated materials into the environment. Certain of these laws and regulations impose strict, and under certain circumstances joint and several, liability on a current or previous owner or operator of property for the costs of remediating regulated materials on or emanating from our property. The costs of investigation, remediation or removal of those substances may be substantial. The presence of, or failure to remediate properly, such materials may adversely affect our ability to operate our temporary casino or our permanent casino and resort or to borrow funds using such property as collateral. Additionally, as an owner or manager of real property, we could be subject to claims by third parties based on damages and costs resulting from environmental contamination at or emanating from third-party sites. These laws typically impose clean-up responsibility and liability without regard to whether the owner or manager knew of or caused the presence of the contaminants and the liability under those laws has been interpreted to be joint

and several unless the harm is divisible and there is a reasonable basis for allocation of the responsibility.

The possibility exists that contamination, as yet unknown, may exist on our anticipated properties. There can be no assurance that we will not incur expenditures for environmental investigations or remediation in the future.

We may become involved in legal proceedings that, if adversely adjudicated or settled, could impact our business and financial condition.

From time to time, we may be named in lawsuits or other legal proceedings relating to our businesses. In particular, the nature of our business subjects us to the risk of lawsuits filed by customers, past and present employees, holders of our stock, competitors, business partners and others in the ordinary course of business. As with all legal proceedings, no assurances can be given as to the outcome of these matters. Moreover, legal proceedings can be expensive and time consuming, and we may not be successful in defending or prosecuting these lawsuits, which could result in settlements or damages that could adversely affect our business, financial condition and results of operations.

The regulatory framework which governs our business, and its interpretation, may be subject to change which we may fail to anticipate and/or respond to.

In order to operate our temporary casino and our permanent casino and resort, we are required to hold licenses issued by the Illinois Gaming Board. The holders of such licenses are bound to meet stringent compliance requirements relating to matters such as anti-money laundering, safer gaming, data protection, advertising and consumer rights issues. Compliance with such requirements is incorporated into the relevant licenses as a licensing condition (or similar) with a corresponding requirement for us to comply with such onerous requirements.

In carrying out its functions, the Illinois Gaming Board is under a statutory duty to ensure that license holders are operating their businesses in ways that are reasonably consistent with the licensing objectives set out in the law, which include preventing gaming from being a source of (or associated with) crime or disorder, or being used to support crime; ensuring that gaming is conducted in a fair and open way and protecting children and other vulnerable people from being harmed or exploited by gaming.

While the objectives of regulation may remain largely stable, the methods that operators are required to employ to meet those objectives is in a state of constant evolution and development. We must respond adequately to the challenges this presents. If we are found to be in breach of our obligation to comply with such licensing requirements, then the Illinois Gaming Board may impose a financial penalty on us or impose other penalties, including removing or imposing conditions on the relevant gaming licenses. A breach of our Host Community Agreement with the City could also result in non-renewal of our owners license by the Illinois Gaming Board, particularly if the breach results in a termination of the Host Community Agreement. Maintaining the authorization from the City is a condition for any future renewal of the owners license. Such actions could have a material adverse effect on our financial performance.

Our business is subject to a variety of laws in the United States and in Illinois, many of which are unsettled and still developing, and which could subject us to claims or otherwise harm our business. Any change in existing regulations or their interpretation, or the regulatory or prosecutorial climate applicable to the products and services we offer in our temporary casino and intend to offer in our permanent casino and resort, or changes in gaming tax rates, tax rules and regulations or interpretation thereof related to such products and services, could adversely impact our ability to operate our business as currently conducted or as we seek to operate in the future, which could have a material adverse effect on our financial condition and results of operations.

We are generally subject to laws and regulations relating to gaming in Illinois, as well as the general laws and regulations that apply to all gaming and hospitality businesses, such as those related to privacy and personal information, tax and consumer protection. These laws and regulations vary, and future legislative and regulatory action, court decisions or other governmental action, which may be affected by, among other things, political pressures, attitudes and climates, as well as personal biases, may have a material impact on our operations and financial results. The regulatory environment in Chicago or on a federal level may change in the future and any such change could have a material adverse effect on our results of operations.

Future legislative and regulatory action, and court decisions or other governmental action, may have a material impact on our operations and financial results. Governmental authorities could view us as having violated local laws, despite our efforts to obtain all applicable licenses or approvals. There is also risk that civil and criminal proceedings, including class actions brought by or on behalf of prosecutors or public entities or incumbent monopoly providers, or private individuals, could be initiated against us, Internet service providers, credit card and other payment processors in the gaming industry. Such potential proceedings could involve substantial litigation expense, penalties, fines, seizure of assets, injunctions or other restrictions being imposed upon our licensees or other business partners, while diverting the attention of key executives. Such proceedings could have a material adverse effect on our business, financial condition and results of operations, as well as impact our reputation.

There can be no assurance that legally enforceable legislation will not be proposed and passed in Illinois to prohibit, legislate or regulate various aspects of our business (or that existing laws in those jurisdictions will not be interpreted negatively). Compliance with any such legislation may have a material adverse effect on our business, financial condition and results of operations because a local license or approval may be costly for us or our business partners to obtain and/or such licenses or approvals may contain other commercially undesirable conditions.

We may share part of the regulatory burdens of Bally's.

The majority of our voting power has been and, following this offering and the concurrent private placements will continue to be, held by Bally's. In January 2023, Bally's Chicago OpCo and certain subsidiaries of Bally's entered into the Permanent Services Agreement with BMG, a subsidiary of Bally's and, in August 2023, Bally's Chicago OpCo entered into the Temporary Services Agreement with BMG. Pursuant to each of the Permanent Services Agreement and the Temporary Services Agreement, BMG agreed to provide us with general business support services. Bally's and its affiliates hold many privileged licenses in jurisdictions around the world, allowing them to operate gaming, hospitality and entertainment businesses. Regulators that issue such licenses have broad investigative powers and could ask for information from our majority stockholder, the entities from which we license intellectual property and their affiliates. Bally's and its affiliates, including us and Bally's Chicago OpCo, will be obligated to cooperate with the investigations of such regulators. Such licenses may also limit the operations and activities of subsidiaries and affiliates of Bally's, including us and Bally's Chicago OpCo.

Business Operational Risks

Actual operating results may differ significantly from our hypothetical examples.

The hypothetical examples included in "*Prospectus Summary — Permanent Casino and Resort Illustrative Examples of Performance Based on Various Assumptions*," which consist of forward-looking statements, were prepared by our management and are qualified by, and subject to, the assumptions and the other information contained or referred to therein and the factors described under the headings "*Cautionary Note Regarding Forward-Looking Statements*" and "*Risk Factors*" in this prospectus.

Such hypothetical examples are based upon a number of assumptions and estimates that, although presented with numerical specificity, are inherently subject to business, economic and competitive uncertainties and contingencies, many of which are beyond our control and are based upon specific assumptions with respect to future business decisions, some of which will change. While such hypothetical examples reflect our management's assumptions as of the date of this prospectus, they are not intended to represent that actual results could not fall below such estimates. We do not accept any responsibility for any projections or reports published by any third parties. There can be no assurance that we will achieve the results expressed by such hypothetical examples. For example, the City of Chicago's 2024 budget anticipated $35 million in gaming tax revenue to be generated from our temporary casino in 2024, but our temporary casino only generated $16 million in 2024. Such hypothetical examples are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying such hypothetical examples will not materialize or will vary significantly from actual results. Any failure to successfully implement our operating strategy or the occurrence of any of the risks or uncertainties set forth in this prospectus, could result in actual results being different than the hypothetical examples, and such

differences may be adverse

and material. In light of the foregoing, investors are urged to put such hypothetical examples in context and not to place undue reliance on it.

We rely on effective payment processing services from a limited number of providers.

The provision of convenient, trusted, fast and effective payment processing services to our customers and potential customers is critical to our business. If there is any deterioration in the quality of the payment processing services provided to these customers or any interruption to those services (including with respect to system intrusions, unauthorized access or manipulation), or if such services are only available at an increased cost to us or our customers or are terminated and no timely and comparable replacement services are found, our customers and potential customers may be deterred from using our products and services. Any of these occurrences may have a material adverse effect on our business, financial condition and results of operations.

Furthermore, a limited number of banks and credit card companies process gambling related payments as a matter of internal policy and any capacity to accept such payments may be limited by the regulatory regime of a given jurisdiction. The introduction of legislation or regulations restricting financial transactions with gambling operators, other prohibitions or restrictions on the use of credit cards and other banking instruments for gambling transactions may restrict our ability to accept payments from our customers. These restrictions may be imposed as a result of concerns related to fraud, payment processing, AML or other issues related to the provision of gambling services. A number of issuing banks or credit card companies may from time to time reject payments to us that are attempted to be made by our customers. Should such restrictions and rejections become more prevalent, or any other restriction on payment processing be introduced, gambling activity by our customers could be adversely affected, which in turn could have a material adverse effect on our business, financial condition and results of operations.

In addition, we are subject to the risk of credit card chargebacks, which may also result in possible penalties. A chargeback is a credit card originated deposit transaction to a player account with an operator that is later reversed or repudiated. The risk of such chargeback transactions is greater in respect of certain markets and certain payment methods. We intend to recognize revenue upon the first loss of the player on amounts tendered, with any credit card chargebacks then deducted from revenues. Even though security measures are in place, high rates of credit card chargebacks could result in credit card associations levying additional costs and fines or withdrawing their service and could have a material adverse effect on our business, financial condition and results of operations.

Our electronic and table games and slot machines hold percentages may fluctuate.

The gaming industry is characterized by an element of chance and guests' winnings at our temporary casino depend, and at our permanent casino and resort will depend, on a variety of factors, some of which are beyond our control. In addition to the element of chance, hold percentages (the ratio of net win to total amount wagered) are affected by other factors, including players' skill and experience, the mix of games played, the financial resources of players, the volume of bets placed and the amount of time played. The variability of our hold percentages has the potential to adversely affect our business, financial condition and results of operations.

Our profitability is dependent, in part, on return to players.

The revenue we derive from certain of our proposed gaming products depends on the outcome of random number generators built into the gaming software running the games made available to our customers. Return to player is measured by dividing the amount of real money won by players on a particular game by the total real money wagers over a particular period on that game. An increasing return to player may negatively affect revenue as it represents a larger amount of money being won by players. Return to player is driven by the overall random number generator outcome, the mechanics of different games and jackpot winnings. Each game utilizes a random number generating engine; however, generally the return to player fluctuates in the short-term based on large wins or jackpots or a large share of wagers made for higher-payout games. To the extent we are unable to set, or fail to obtain, a favorable return to player in our (or a third-party supplier's) gambling software which maximizes revenue, it could have a material adverse effect on our business, financial condition and results of operations.

The success, including win or hold rates, of future sports betting and gaming products depends on a variety of factors and is not completely controlled by us.

The sports betting and gaming industries are characterized by an element of chance. Accordingly, we employ theoretical win rates to estimate what a certain type of sports bet or game, on average, will win or lose in the long run. These theoretical win rates may not always yield positive results for us, which could cause our revenue to decrease as players' winnings increase.

Our success depends in part on our ability to anticipate and satisfy user preferences in a timely manner. As we operate in a dynamic environment characterized by rapidly changing industry and legal standards, our products will be subject to changing consumer preferences that cannot be predicted with certainty. We will need to continually introduce new offerings and identify future product offerings that complement our existing platforms, respond to our customer's needs and improve and enhance our existing platforms to maintain or increase our customer engagement and growth of our business. We may not be able to compete effectively unless our product selection keeps up with trends in the digital sports entertainment and gaming industries in which we compete, or trends in new gaming products.

We extend credit to a portion of our customers, and we may not be able to collect gaming receivables from our credit customers.

We conduct our gaming activities on a credit and cash basis at our temporary casino and will conduct our gaming activities on a credit and cash basis at our permanent casino and resort. Any such credit we extend will be unsecured. Table game players typically are extended more credit than slot players, and high-stakes players typically are extended more credit than customers who tend to wager lower amounts. High-end gaming is more volatile than other forms of gaming, and variances in win-loss results attributable to high-end gaming may have a significant positive or negative impact on cash flow and earnings in a particular period. We will extend credit to those customers whose level of play and financial resources warrant, in the opinion of management, an extension of credit. These large receivables could have a significant impact on our results of operations if deemed uncollectible. Gaming debts evidenced by a credit instrument, including what is commonly referred to as a "marker," and judgments on gaming debts are enforceable under the current laws of Illinois, and judgments on gaming debts in such jurisdictions are enforceable in all U.S. states under the Full Faith and Credit Clause of the U.S. Constitution; however, other jurisdictions may determine that enforcement of gaming debts is against public policy. Although courts of some foreign nations will enforce gaming debts directly and the assets in the United States of foreign debtors may be reached to satisfy a judgment, judgments on gaming debts from U.S. courts are not binding on the courts of many foreign nations.

Declining popularity of games and changes in device preferences of players could have a negative effect on our business.

Revenue from games tends to decline over time after reaching a peak of popularity and player usage. The speed of this decline is referred to as the decay rate of a game. As a result of this natural decline in the life cycle of our products, our business depends on our ability and the ability of our third-party partners to consistently and timely launch new games across multiple platforms and devices that achieve significant popularity. Our ability to successfully launch, sustain and expand games as applicable, largely will depend on our ability to, amongst other things: (1) anticipate and effectively respond to changing game player interests and preferences; (2) anticipate or respond to changes in the competitive landscape; (3) develop, sustain and expand games that are fun, interesting and compelling to play; (4) minimize launch delays and cost overruns on new games; (5) minimize downtime and other technical difficulties; (6) acquire leading technology and high quality personnel; and (7) comply with constraints on game design and/or functionality imposed by regulators. There is a risk that we may not launch any new games according to schedule, or that those games do not attract and retain a significant number of players, which could have a negative effect on our business, financial condition and results of operations.

In addition to offering popular new games, we must extend the life of the existing games which we make available to future customers, in particular the most successful games. While it is difficult to predict when revenues from any such existing games will begin to decline, for a game to remain popular, we must constantly enhance, expand or upgrade the relevant game with new features that players find attractive. There

is a risk that we may not be successful in enhancing, expanding or upgrading our current games or any new games in the future and, in addition, regulators may introduce new rules that limit functionality within existing games. Should we not succeed in sufficiently offsetting the effects of declining popularity in the games we make available, this may have a material adverse effect on our business, financial condition and results of operations.

We may invest in or acquire other businesses, and our business may suffer if we are unable to successfully integrate acquired businesses into the Company or otherwise manage the growth associated with multiple acquisitions.

We cannot assure you that we will be able to consummate any future acquisitions, or that any future acquisitions will enhance our financial performance. For example, while we are in discussion with the Illinois Gaming Board and Midway International Airport to install slot machines at Midway International Airport we cannot assure you that we will reach agreement on the terms of that installation, or such terms will ultimately be advantageous to us. Our ability to achieve the expected benefits of any acquisitions will depend on, among other things, our ability to effectively translate our strategies into revenue, our ability to retain and assimilate the acquired businesses' employees, our ability to retain existing customers and suppliers on terms similar to, or better than, those in place with the acquired businesses, our ability to attract new customers, the adequacy of our implementation plans, our ability to maintain our financial and internal controls and systems as we expand our operations, the ability of our management to oversee and operate effectively the combined operations and our ability to achieve desired operating efficiencies and revenue goals. The integration of the businesses that we acquire might also cause us to incur costs that are unforeseen or that exceed our estimates, which would lower our future earnings and would prevent us from realizing the expected benefits of such acquisitions. In some cases, the services provided by the sellers are critical to the ongoing efficient operation of the properties and may involve costly payments from us to the provider of the services. If the provision of these services by the sellers is disrupted or given insufficient attention by the sellers, our ability to operate the properties may be negatively impacted until such time as we are able to take full control over the services. Moreover, we must pay the sellers for these services and the costs to us for these services may exceed our estimates and these expenses will negatively impact the results of operations of these properties during these transition periods. Failure to achieve the anticipated benefits of these acquisitions could result in decreases in the amount of expected revenues and diversion of management's time and energy and could adversely affect our business, financial condition and operating results.

Our growth will depend, in part, on the success of our strategic relationships with third parties. Overreliance on certain third parties or our inability to extend existing relationships or agree to new relationships may cause unanticipated costs for us and impact our financial performance in the future.

We may enter into strategic relationships with advertisers, casinos and other third parties in order to attract customers to our temporary casino and our permanent casino and resort. We believe that these relationships, along with providers of online services, search engines, social media, directories and other websites and e-commerce businesses, will help direct consumers to our temporary casino and our permanent casino and resort. In addition, many of the parties with whom we may enter into advertising arrangements may provide advertising services to other companies, including fantasy sports and gaming platforms with whom we compete. While we believe there are other third parties that could drive users to our temporary casino and our permanent casino and resort, adding or transitioning to them may disrupt our business and increase our costs. In the event that any of our existing relationships or our future relationships fails to provide services to us in accordance with the terms of our arrangement, or at all, and we are not able to find suitable alternatives, this could impact our ability to attract consumers cost effectively and harm our business, financial condition and results of operations.

We conduct our business in an industry that is subject to high taxes and may be subject to higher taxes in the future.

In Illinois, state and local governments raise considerable revenues from taxes based on casino revenues and operations. We are also required to pay property taxes, occupancy taxes, sales and use taxes, payroll taxes, franchise taxes and income taxes. Our profitability will depend on generating enough revenues to cover

variable expenses, such as payroll and marketing, as well as largely fixed expenses, such as property taxes and interest expense. From time to time, state and local governments have increased gaming taxes and such increases could significantly impact the profitability of our gaming operations.

Our operations are generally subject to significant revenue-based taxes and fees in addition to normal federal, state and local income taxes, and such taxes and fees are subject to increase at any time. In addition, from time to time, federal, state and local legislators and officials have proposed changes in tax laws, or in the administration of such laws, affecting the gaming industry. Further, worsening economic conditions could intensify the efforts of applicable state and local governments to raise revenues through increases in gaming taxes and/or property taxes. It is not possible to determine with certainty the likelihood of changes in tax laws in these jurisdictions or in the administration of such laws. Such changes, if adopted, could adversely affect our business, financial condition and results of operations. Any material increase, or the adoption of additional taxes or fees, could adversely affect our future financial results.

There can be no assurance that governments in Illinois or Chicago, or the federal government, will not enact legislation that increases gaming tax rates. General economic pressures have the potential to reduce revenues of state and local governments from traditional tax sources, which may cause state legislatures or the federal government to be more inclined to increase gaming tax rates.

If we fail to detect fraud, theft or cheating, including by our users and employees, our reputation may suffer which could harm our brand and reputation and negatively impact our business, financial condition and results of operations and can subject us to investigations and litigation.

We may incur losses from various types of financial fraud, including use of stolen or fraudulent credit card data, claims of unauthorized payments by a customer and attempted payments by customer with insufficient funds. Bad actors use increasingly sophisticated methods to engage in illegal activities involving personal information, such as unauthorized use of another person's identity, account information or payment information and unauthorized acquisition or use of credit or debit card details, bank account information and mobile phone numbers and accounts. Under current credit card practices, we may be liable for use of funds at our temporary casino and our permanent casino and resort with fraudulent credit card data, even if the associated financial institution approved the credit card transaction.

Acts of fraud may involve various tactics, including collusion. Successful exploitation of our systems could have negative effects on our product offerings, services and customer experience and could harm our reputation. Failure to discover such acts or schemes in a timely manner could result in harm to our operations. In addition, negative publicity related to such schemes could have an adverse effect on our reputation, potentially causing a material adverse effect on our business, financial condition and results of operations. In the event of the occurrence of any such issues with our proposed product offerings, substantial engineering and marketing resources and management attention, may be diverted from other projects to correct these issues, which may delay other projects and the achievement of our strategic objectives.

In addition, any misappropriation of, or access to, customer's or other proprietary information or other breach of our information security could result in legal claims or legal proceedings, including regulatory investigations and actions, or liability for failure to comply with privacy and information security laws, including for failure to protect personal information or for misusing personal information, which could disrupt our operations, force us to modify our business practices, damage our reputation and expose us to claims from our customers, regulators, employees and other persons, any of which could have an adverse effect on our business, financial condition and results of operations.

Despite measures we will take to detect and reduce the occurrence of fraudulent or other malicious activity in our temporary casino and our permanent casino and resort, we cannot guarantee that any of our measures will be effective or will scale efficiently with our business. Our failure to adequately detect or prevent fraudulent transactions could harm our reputation or brand, result in litigation or regulatory action and lead to expenses that could adversely affect our business, financial condition and results of operations.

We have limited operating history.

We have limited operating history and there can be no assurance that our proposed plan of business can

be realized in the manner contemplated and, if it cannot be, holders of our stock may lose all or a

substantial part of their investment. There is no guarantee that it will ever realize any significant operating revenues or that its operations will ever be profitable. As we have limited operational history, it is extremely difficult to make accurate predictions and forecasts on our finances.

We are largely dependent on the skill and experience of management and key personnel.

Our officers, directors and key employees either are or will be required to file applications with the Illinois Gaming Board, and are required to be licensed or found suitable by such authority. If the Illinois Gaming Board were to find an officer, director or key employee unsuitable for licensing or unsuitable to continue having a relationship with us, we would have to sever all relationships with that person. Furthermore, the Illinois Gaming Board may require us to terminate the employment of any person who refuses to file appropriate applications. Either result could significantly impair our operations. The time and effort needed to successfully complete the application process could impact our ability to attract, hire and retain top talent.

We are subject to risks associated with labor relations, labor costs and labor disruptions.

We are subject to the costs and risks generally associated with labor disputes and organizing activities related to unionized labor. From time to time, our operations may be disrupted by strikes, public demonstrations or other coordinated actions and publicity. We may incur increased legal costs and indirect labor costs as a result of contractual disputes, negotiations or other labor-related disruptions.

We may incur impairments to indefinite-lived intangible assets or long-lived assets.

We will monitor the recoverability of our long-lived assets, such as buildings in our permanent casino and resort, and evaluate their carrying value for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. We intend to perform interim reviews whenever events or changes in circumstances indicate that impairment may have occurred. If the testing performed indicates that impairment has occurred, we will be required to record a non-cash impairment charge for the difference between the carrying value and fair value of the long-lived assets or the carrying value and fair value of the reporting unit, in the period the determination is made. The testing of long-lived assets for impairment will require us to make estimates that are subject to significant assumptions about our future revenue, profitability, cash flows, fair value of assets and liabilities, weighted average cost of capital, as well as other assumptions. Changes in these estimates, or changes in actual performance compared with these estimates, may affect the fair value of long-lived assets or reporting unit, which may result in an impairment charge.

We cannot accurately predict the amount or timing of any impairment of assets. Should the value of long-lived assets become impaired, our financial condition and results of operations may be adversely affected.

We anticipate that our operations will be subject to seasonal variations and quarterly fluctuations in operating results.

Casino and hotel operations are subject to seasonal variation. Seasonal weather conditions can frequently adversely affect transportation routes to Chicago and may cause snowfall, flooding and other effects that result in the closure of our temporary casino or our permanent casino and resort. In addition, any sports betting business we open in our casino and resort may experience seasonality based on the relative popularity of certain sports at different parts of the year. As a result, unfavorable seasonal conditions could have a material adverse effect on our business, financial condition and results of operations.

Our business is particularly sensitive to energy prices and a rise in energy prices could harm our operating results.

We are a large consumer of electricity and other energy in Chicago and, therefore, higher energy prices may have an adverse effect on our results of operations. Accordingly, increases in energy costs may have a negative impact on our operating results. Additionally, higher electricity and gasoline prices that affect our customers may result in reduced visitation to our temporary casino or our permanent casino and resort and a reduction in our revenues. We may be indirectly impacted by regulatory requirements aimed at reducing

the impacts of climate change directed at up-stream utility providers, as we could experience potentially higher utility, fuel and transportation costs.

Our insurance and self-insurance programs, through Bally's Corporation, may not be adequate to cover future claims.

Although we maintain insurance that we believe is customary and appropriate for our business at this stage of our operations, we cannot assure you that insurance will be available or adequate to cover all losses and damage to which our business or our assets might be subjected in current or future periods. We use a combination of insurance and self-insurance, through Bally's Corporation, to provide for potential liabilities, including employee healthcare benefits, up to certain stop-loss amounts which limit our exposure above the amounts we have self-insured. We estimate the liabilities and required reserves associated with the risks we retain. Any such estimates and actuarial projection of losses is subject to a considerable degree of variability. A considerable increase in claims as a result of a pandemic, including as a result of the COVID-19 pandemic, could have a material adverse effect on our business, financial condition or results of operations. If actual losses incurred are greater than those anticipated, our reserves may be insufficient and additional costs could be recorded in our consolidated financial statements. If we suffer a substantial loss that exceeds our self-insurance reserves, and any excess insurance coverage, the loss and attendant expenses could harm our business, financial condition or results of operations. The lack of adequate insurance for certain types or levels of risk could expose us to significant losses in the event that a catastrophe occurred for which we are uninsured or underinsured. Any losses we incur that are not adequately covered by insurance may decrease our future operating income, require us to find replacements or repairs for destroyed property and reduce the funds available for payments of our obligations. We renew our insurance policies on an annual basis. The cost of coverage may become so high that we may need to further reduce our policy limits, further increase our deductibles or agree to certain exclusions from our coverage.

Our results of operations and financial condition could be adversely affected by the occurrence of natural disasters, such as blizzards, floods, tornadoes, fires, or other catastrophic events, including war, terrorism and public health crises such as the COVID-19 pandemic.

Natural disasters, such as major hurricanes, typhoons, tornados, floods, fires and earthquakes, could adversely affect our business and operating results.

Catastrophic events, such as terrorist attacks and global and regional conflicts (e.g., the war in Ukraine and conflict in the Middle East), have had a negative effect on travel and leisure expenditures, including lodging, gaming (in some jurisdictions) and tourism. We cannot accurately predict the extent to which such events may affect us, directly or indirectly, in the future.

Public health crises may also significantly impact our business. For example, the global spread of the COVID-19 pandemic, which began in early 2020, resulted in governments, public institutions and other organizations imposing or recommending, and businesses and individuals implementing, restrictions on various activities or other actions to combat its spread, such as restrictions and bans on travel or transportation, stay-at-home directives, requirements that individuals wear masks or other face coverings, limitations on the size of gatherings, closures of work facilities, schools, public buildings and businesses, cancellation of events, including sporting events, concerts, conferences and meetings and quarantines and lock-downs. The pandemic and its consequences dramatically reduced travel and demand for hotel rooms and other casino resort amenities. There are no assurances that a resurgence of future COVID-19 variants or future pandemics will not cause similar disruptions.

There can be no assurance that we will be able to obtain or choose to purchase any insurance coverage with respect to occurrences of catastrophic events, such as those described above. If there is a prolonged disruption at our facilities due to natural disasters, terrorist attacks, wars, public health crises or other catastrophic events, our results of operations and financial condition would be adversely affected.

We may be unable to obtain business interruption coverage for casualties resulting from severe weather such as hurricanes, and there can be no assurance that we will be able to obtain casualty insurance coverage

at affordable rates, if at all, for casualties resulting from severe weather.

Failure to comply with the community investment program obligations specified in the Host Community Agreement could have a material adverse effect on our financial condition and results of operations.

The Host Community Agreement with the City of Chicago provides for certain community investment obligations, with which the failure to comply could have a material adverse effect on our financial condition and results of operations. The Illinois Gambling Act requires that, as an applicant for an owner's license to operate the casino, we provide evidence of our best efforts to attain certain ownership goals and that the Illinois Gaming Board take our ownership into account when determining whether to grant that license. Consistent with that requirement, the Host Community Agreement requires that 25% of Bally's Chicago OpCo's equity be owned by individuals that are women or Minorities or woman- or Minority-owned and controlled entities no later than 12 months following the effective date of the agreement, or such later date as may be determined by the City of Chicago, and will continue for no less than five years thereafter. We have also agreed to meet or exceed the goals, as specified in the agreement, for contracting with city-based businesses for the design and construction of our permanent casino and resort and the provision of goods and services to our permanent casino and resort; meet or exceed the hiring of the minimum number of employees as specified in the agreement; meet or exceed the goals, as specified in the agreement, for work hours for construction work by city residents and residents of the area surrounding our permanent casino and resort; meet or exceed the goals for hiring specific percentages of city residents, women, Minorities, veterans and persons with a disability; satisfy the requirements for business utilization and building wealth and increasing employment in disadvantaged communities, prioritize hiring of city residents and achieve a diverse workforce; and satisfy the requirements for locally sourcing goods and services as specified in the agreement. In addition, we have also agreed to establish, fund and maintain human resource hiring and training practices and comply with certain workforce development plans. Any failure to comply with these obligations, or if the City of Chicago disagrees with our determination and determines that certain owners do not satisfy the Class A Qualification Criteria, it may result in an event of default under the agreement, and the City of Chicago will have the right, among others, to exercise any and all remedies available at law or in equity, terminate the agreement, and institute and prosecute proceedings to enforce in whole or in part the specific performance of the agreement by us. In addition, recent public scrutiny of business diversity initiatives, particularly in governmental contracting and other programs, may result in challenges to the community investment obligations required by the City under the Host Community Agreement. See "*Business —Our Relationship with Chicago — Community Investment Program*" for additional information.

Risks Related to Our Relationship with Bally's

Bally's Chicago HoldCo controls the direction of our business, and the concentrated ownership of our stock will prevent you and other stockholders from influencing significant decisions.

Following the closing of this offering and the concurrent private placements and the consummation of the Transactions, as the sole holder of our Class B Interests, Bally's Chicago HoldCo, a wholly-owned subsidiary of Bally's Corporation, will hold 75% of the voting power in the Company, in addition to its interests under the Subordinated Loans and its LLC Interests in Bally's Chicago OpCo and its obligations under the Post-IPO Capital Commitment. As long as Bally's Chicago HoldCo continues to control stock representing a majority of our combined voting power, it will generally be able to determine the outcome of all corporate actions requiring stockholders' approval. Even if Bally's Chicago HoldCo were to control less than a majority of our combined voting power, it may be able to influence the outcome of corporate actions so long as it owns a significant portion of our combined voting power. If Bally's Chicago HoldCo does not sell or otherwise dispose of its Class B Interests, Bally's Chicago HoldCo could retain control over us for an extended period of time or indefinitely.

Investors in this offering may not be able to affect the outcome of any stockholders' vote while Bally's Chicago HoldCo controls the majority of our combined voting power. Bally's Chicago HoldCo thus will be able to elect a majority or more of the members of our Board, which in turn will be able to influence all matters affecting us, including, among other things:

- any determination with respect to our business direction and policies, including the appointment and removal of officers and, in the event of a vacancy on our Board, additional or replacement directors;
- any determinations with respect to mergers, business combinations or disposition of assets;

- determination of our management policies;
- determination of the composition of the committees on our Board;
- our financing policy;
- our compensation and benefit programs and other human resources policy decisions;
- termination of, changes to or determinations under our agreements with Bally's;
- changes to any other agreements that may adversely affect us; and
- the payment of dividends.

See "*Description of Capital Stock*." Moreover, pursuant to the Stockholders Agreement, Bally's Chicago HoldCo will have veto rights over any transactions involving: (i) change in control transactions of our company or any of our subsidiaries, including Bally's Chicago OpCo, (ii) acquiring or disposing of assets or any business enterprise or division thereof for consideration in excess of $50.0 million in any single transaction or series of transactions, (iii) increasing or decreasing the size of our board of directors, (iv) initiating any liquidation, dissolution, bankruptcy, or other insolvency proceeding involving us or any of our subsidiaries, including Bally's Chicago OpCo, and (v) any transfer, issue, sale, or disposition by us of any shares of stock, other equity securities, equity-linked securities, or securities that are convertible into equity securities of us or our subsidiaries to any person or entity that is a non-strategic financial investor in a private placement transaction or series of transactions. Because Bally's Chicago HoldCo has interests in and obligations to us and Bally's Chicago OpCo that differ from those of other constituencies, and its interests may differ from ours or from those of our other stockholders, actions that Bally's Chicago HoldCo takes with respect to us, as our controlling stockholder, may not be favorable to us or our stockholders.

If Bally's Chicago HoldCo sells a controlling interest in our Company to a third party in a private transaction, you may not realize any change-of-control premium on our Class A Interests, and we may become subject to the control of a presently unknown third party.

Following the closing of this offering and the concurrent private placements and the consummation of the Transactions, Bally's Chicago HoldCo, a wholly-owned subsidiary of Bally's, will hold 75% of our combined voting power. Bally's Chicago HoldCo's will have the ability, should it choose to do so, to sell some or all of these Class B Interests in a privately negotiated transaction, which, if sufficient in size, could result in a change of control of our Company.

The ability of Bally's Chicago HoldCo to privately sell the Class B Interests, with no requirement for a concurrent offer to be made to acquire all of our Class A Interests, could prevent you from realizing any change-of-control premium on your Class A Interests that may otherwise accrue to Bally's Chicago HoldCo on its private sale of Class B Interests. Additionally, if Bally's Chicago HoldCo's sells Class B Interests representing a significant portion of our stock, we may become subject to the control of a presently unknown third party. Such third party may have conflicts of interest with those of other stockholders. In addition, if Bally's Chicago HoldCo sells a controlling interest in our Company to a third party, any debt financing we secure in the future may be subject to acceleration, Bally's subsidiary, BMG, may terminate the Permanent Services Agreement, the Temporary Services Agreement and other arrangements, and our other relationships and agreements could be impacted, all of which may adversely affect our ability to run our business as described herein and may have a material adverse effect on our results of operations, cash flows and financial condition.

Bally's Chicago HoldCo's interests may conflict with our interests and the interests of the other holders of our stock. Conflicts of interest between Bally's Chicago HoldCo's and us could be resolved in a manner unfavorable to us and the other holders of our stock.

Various conflicts of interest between us and Bally's Chicago HoldCo's could arise. Stock of our directors and officers in the stock of Bally's, or a person's service either as a director or officer of both companies, could create or appear to create potential conflicts of interest when those directors and officers

are faced with decisions relating to our Company. These decisions could include:

- corporate opportunities;
- the impact that operating decisions for our business may have on Bally's consolidated financial statements;
- differences in tax positions between Bally's and us;
- the impact that operating or capital decisions (including the incurrence of indebtedness) for our business may have on Bally's current or future indebtedness or the covenants under that indebtedness;
- future, potential commercial arrangements between Bally's and us or between Bally's and third parties;
- business combinations involving us;
- our dividend policy;
- Bally's exercising their right under the Guarantee Agreement to cause Bally's Chicago OpCo and its subsidiaries to guarantee Bally's indebtedness;
- Bally Chicago Holdco's exercising their rights under the Stockholders Agreement;
- management interest ownership; and
- intercompany agreements between Bally's and us.

Furthermore, disputes may arise between Bally's and us relating to our past and ongoing relationship and these potential conflicts of interest may make it more difficult for us to favorably resolve such disputes, including those related to:

- tax, employee benefits, indemnification and other matters arising from this offering;
- the nature, quality and pricing of services Bally's agrees to provide to us;
- sales or other disposals by Bally's Chicago HoldCo of all or a portion of the Class B Interests; and
- business combinations involving us.

We may not be able to resolve any potential conflicts, and even if we do, the resolution may be less favorable to us than if we were dealing with an unaffiliated party. While we are controlled by Bally's Chicago HoldCo, we may not have the leverage to negotiate amendments to our agreements with Bally's, if required, on terms as favorable to us as those we would negotiate with an unaffiliated third party.

The interests of Bally's major shareholders may differ from your interests.

As of September 30, 2024, Noel Hayden owned 12.18% of Bally's shares of common stock and Standard RI Ltd ("Standard") owned 26.11% of Bally's shares of common stock. Standard General L.P. serves as investment manager to Standard and, in that capacity, exercises voting and investment control over the shares held by Standard. Soohyung Kim, Chairman of Bally's, is the managing partner and chief investment officer of Standard General L.P. As a result, Noel Hayden, Standard, Standard General L.P. and Soohyung Kim (the "Bally's majority shareholders") have the ability to directly or indirectly exert significant influence over certain aspects of Bally's business and affairs through the election of directors and vote on corporate actions requiring shareholder approval.

This concentration of ownership could also deter a change in control of our Company and make the approval of some transactions difficult without the support of the Bally's majority shareholders. The relationship between the Bally's majority shareholders and Bally's may give rise to conflicts of interest with respect to, among other things, transactions and agreements among other entities controlled by the Bally's majority shareholders and us, issuances of additional securities and the election of directors. To the extent the interests of the Bally's majority stockholders diverge from our interests, they may exercise their

influence over us in favor of their own interests over our interests. Similarly, the interests of the Bally's majority stockholders may differ from or conflict with your interests as a holder of the Class A Interests.

Certain of our directors and officers may have actual or potential conflicts of interest because of their positions with Bally's.

Following the closing of this offering, certain of our directors and officers will retain their positions with Bally's. In addition, they may own Bally's stock, options to purchase Bally's stock or other Bally's equity awards. These individuals' holdings of Bally's stock, options to purchase Bally's stock or other equity awards may be significant compared to their total assets. Their positions at Bally's and the ownership of any Bally's equity or equity awards creates, or may create the appearance of, conflicts of interest when they are faced with decisions that could have different implications for Bally's than the decisions have for us.

Our amended and restated certificate of incorporation to be in effect prior to the closing of this offering will limit Bally's Chicago HoldCo liability to us or you for certain breaches of fiduciary duty and could also prevent us from benefiting from corporate opportunities that might otherwise have been available to us.

Our amended and restated certificate of incorporation to be in effect prior to the closing of this offering, which will become effective immediately prior to the closing of this offering, will provide that, to the fullest extent permitted by the laws of the State of Delaware, Bally's Chicago HoldCo will have no obligation to refrain from:

- engaging in the same or similar business activities or lines of business as we do; or
- competing, directly or indirectly, with us or any of our subsidiaries.

Under our amended and restated certificate of incorporation to be in effect prior to the closing of this offering, to the fullest extent permitted by law, Bally's Chicago HoldCo will not be liable to us, our subsidiaries or to our stockholders for certain breaches of any fiduciary duty solely by reason of any of these activities.

Additionally, our amended and restated certificate of incorporation to be in effect prior to the closing of this offering will include a "corporate opportunity" waiver provision in which we renounce any interests or expectancy in corporate opportunities which become known to any of our directors or stockholders who are not employed by the Company or its subsidiaries. Generally, to the fullest extent permitted by law, neither Bally's Chicago HoldCo nor our directors will be liable to us or our stockholders for breach of any fiduciary duty by reason of the fact that any such person (i) pursues or acquires any corporate opportunity for the account of Bally's Chicago HoldCo or its affiliates, (ii) directs, recommends, sells, assigns or otherwise transfers such corporate opportunity to Bally's Chicago HoldCo or its affiliates, or (iii) does not communicate information regarding such corporate opportunity to us unless the potential transaction or corporate opportunity is expressly offered to our director in his or her capacity as a director of the Company. The corporate opportunity provision may exacerbate conflicts of interest between Bally's and us because the provision may permit one of our directors who also serves as a director, officer, employee or other affiliate of Bally's to choose to direct a corporate opportunity to Bally's instead of us.

Bally's will not be restricted from competing with us in our casino and resort business, including as a result of acquiring a company that operates a casino and resort business. Due to the significant resources of Bally's, including financial resources, name recognition and know-how resulting from the management of our business, Bally's could have a significant competitive advantage over us should it decide to utilize these resources to engage in the type of business we conduct, which may cause our operating results and financial condition to be materially adversely affected.

Third parties may seek to hold us responsible for liabilities of Bally's, which could result in a decrease in our income.

Third parties may seek to hold us responsible for Bally's liabilities. If those liabilities are significant and we are ultimately held liable for them, we cannot assure that we will be able to recover the full amount of our losses from Bally's.

We may not achieve some or all of the anticipated benefits of being a standalone public company.

We may not be able to achieve all of the anticipated strategic and financial benefits expected as a result

of being a standalone public company, or such benefits may be delayed or not occur at all. These anticipated benefits include the following:

- allowing investors to evaluate the distinct merits, performance and future prospects of our business, independent of Bally's other businesses;
- improving our strategic and operational flexibility and increasing management focus as we continue to implement our strategic plan and allowing us to respond more effectively to different player needs and the competitive environment for our business;
- allowing us to adopt a capital structure better suited to our financial profile and business needs, without competing for capital with Bally's other businesses;
- creating an independent equity structure that will facilitate our ability to effect future acquisitions utilizing our stock; and
- facilitating incentive compensation arrangements for employees more directly tied to the performance of our business, and enhancing employee hiring and retention by, among other things, improving the alignment of management and employee incentives with performance and growth objectives of our business.

We may not achieve the anticipated benefits of being a standalone public company for a variety of reasons, and it could adversely affect our operating results and financial condition.

We rely on our access to Bally's brands and reputation and some of Bally's relationships.

We believe the association with Bally's will contribute to our building relationships with our players due to its recognized brands and products. Any perceived loss of Bally's scale, capital base and financial strength may prompt our business partners to reprice, modify or terminate their relationships with us. In addition, any future reduction of Bally's ownership of our Company may affect our then current and future business relationships. We cannot predict with certainty the effect any of these perceived loss and ownership reductions will have on our business.

The services that we receive from Bally's subsidiary, BMG, may not be sufficient for us to operate our business, and we would likely incur significant incremental costs if we lost access to BMG's services.

In January 2023, Bally's Chicago OpCo and certain subsidiaries of Bally's Corporation entered into the Permanent Services Agreement with BMG, a subsidiary of Bally's Corporation. Pursuant to the Permanent Services Agreement, BMG agreed to provide us and certain subsidiaries of Bally's Corporation with general business support services, including services relating to external reporting obligations, internal audit, regulatory filings, design and construction, business development, human resources, tax, accounting, treasury and capital related, risk management, legal, finance and marketing upon the opening of our permanent casino and resort. Pursuant to the Permanent Services Agreement, we agreed to pay BMG an annual fee equal to the salaries, burden, overhead and other operating costs for providing such services based on our share of those costs calculated by reference to an appropriate common-size metric plus 6%, which fee may be reviewed and adjusted by the parties from time to time to reflect current market rates for such services and as required by the Code. The initial term of the agreement is one year, beginning upon the opening of our permanent casino and resort, and will be automatically renewed for successive one-year terms, unless either party serves on the other a written notice of termination. See "*Transactions with Related Persons —Permanent Services Agreement.*"

In addition, in August 2023, Bally's Chicago OpCo entered into the Temporary Services Agreement with BMG, a subsidiary of Bally's Corporation. Pursuant to the Temporary Services Agreement, BMG agreed to provide us with general business support services, including services relating to external reporting obligations, internal audit, regulatory filings, design and construction, business development, human resources, tax, accounting, treasury and capital related, risk management, legal, finance and marketing related to our temporary casino. Pursuant to the Temporary Services Agreement, we agreed to pay BMG a monthly fee equal to $5.0 million, which fee may be reviewed and adjusted by the parties from time to time to reflect current market rates for such services and as required by the Code. The initial term of the agreement is two years, beginning August 30, 2023, and will be automatically renewed for successive one-year terms for as long as our temporary casino is licensed to continue operations, unless BMG serves on

Bally's Chicago OpCo a written notice of termination. The Temporary Services Agreement shall automatically terminate

when our temporary casino permanently closes and our permanent casino and resort opens to the public. See "*Transactions with Related Persons — Temporary Services Agreement*."

If we lost access to the services provided to us by BMG under these agreements, we would need to replicate or replace certain functions, systems and infrastructure. We may also need to make investments or hire additional employees to operate without the same access to Bally's existing operational and administrative infrastructure. These initiatives may be costly to implement. The amount of total costs could be materially higher than our estimate, and the timing of the incurrence of these costs could be subject to change.

We may not be able to replace the services or enter into appropriate third-party agreements on terms and conditions, including cost, comparable to those that we will receive from BMG under the Permanent Services Agreement and the Temporary Services Agreement. Additionally, if such agreements are terminated, we may be unable to sustain the services at the same levels or obtain the same benefits as when we were receiving such services and benefits from BMG. If we have to operate these functions separately, if we do not have our own adequate systems and business functions in place or if we are unable to obtain them from other providers, we may not be able to operate our business effectively or at comparable costs, and our profitability may decline. In addition, we have historically received informal support from Bally's and BMG, which might not be addressed in our services agreement. The level of this informal support could diminish or be eliminated following this offering.

While we are controlled by Bally's, we may not have the leverage to negotiate amendments to our agreement with BMG and any agreements with Bally's, if required, on terms as favorable to us as those we would negotiate with an unaffiliated third party.

We may have received better terms from unaffiliated third parties than the terms we have received and will receive in our agreements with Bally's and its affiliates.

The agreements that we have entered and will enter into with Bally's and its affiliates in connection with this offering, including the Permanent Services Agreement and the Temporary Services Agreement, have been and will have been prepared while we were still a wholly-owned subsidiary of Bally's. As a result, the terms of those agreements may not reflect terms that would have resulted if we had negotiated such terms with an unaffiliated third party.

We currently are dependent on Bally's for various support services.

We are dependent on the services of Bally's to provide us with various support services, including legal, accounting, finance, operational support and oversight, marketing, employee management and customer support services. See "*Transactions with Related Persons — Permanent Services Agreement*" and "*Transactions with Related Persons — Temporary Services Agreement*."

Our ability to successfully develop our permanent casino and resort on time and on budget is dependent to a large degree on the skills and efforts of employees of Bally's. However, these individuals will not be our employees and they will not be devoting all of their time and attention to the development of our permanent casino and resort. If we or Bally's are unable to retain the services of our or its employees or if those employees do not devote sufficient time and attention to the development of our permanent casino and resort, we may be unable to open our permanent casino and resort on time and within our estimated budget, or at all.

Bally's involvement with other projects may adversely affect our permanent casino and resort.

As of September 30, 2024, Bally's Corporation owns and manages 15 land-based casinos in ten states across the United States, one golf course in New York, and one horse racetrack in Colorado. As numerous regulatory approvals, licenses and permits are required for the development and management of these other properties, Bally's must devote significant funds, in addition to human and other resources, to meet its obligations with respect to these properties. As resources are expended for these other properties, the resources available for the development and management of our permanent casino and resort may be diverted, which may have a material adverse effect on the development and construction of our permanent

casino and resort and our business, financial condition, results of operations and ability to make payments on the notes.

Various subsidiaries of Bally's operate in the same industries and may in certain instances compete against each other and us for customers and business.

In addition to our Company, as of September 30, 2024, Bally's owns and manages 15 land-based casinos in ten states across the United States, one golf course in New York, and one horse racetrack in Colorado operating under Bally's brand. Its land-based casino operations include approximately 14,800 slot machines, 500 table games and 3,800 hotel rooms, along with various restaurants, entertainment venues and other amenities. To the extent there is an overlap regarding the customers which Bally's targets and the markets in which it operates, the subsidiaries of Bally's may compete against each other for customers and business.

The interests of Bally's Chicago HoldCo as the owner of the Subordinated Loans may differ from our and your interests.

In connection with this offering, we intend to enter into a subordinated loan agreement with Bally's Chicago HoldCo pursuant to which Bally's Chicago HoldCo, as lender, will make the Subordinated Loans to us, as borrower, in various tranches and at varying amounts based on the total number of shares sold in this offering. The Subordinated Loans will bear interest at a rate equal to 11.0% per annum, compounding quarterly. Principal and interest payments on the Subordinated Loans will be paid by us by withholding discretionary distributions that would otherwise be made by us to the investors with the corresponding Class A Interests, and applying such distributions to reduce amounts outstanding under the applicable Subordinated Loans. In connection with the consummation of the Transactions. See "*Subordinated Loans*."

The Subordinated Loans and Bally's Chicago HoldCo's ability to influence our business may give rise to conflicts of interest with respect to, among other things, the timing and amount of payments on the Subordinated Loans. To the extent the interests of Bally's Chicago HoldCo's diverge from our interests, Bally's Chicago HoldCo may exercise their influence over us in favor of its own interests over our interests. Similarly, the interests of Bally's Chicago HoldCo may differ from or conflict with your interests as a holder of Class A Interests.

We do not own Bally's brands and expect to license the brands from an affiliate; if this license were to be terminated, it could negatively impact our business.

We expect to enter into a license agreement with BMG, another subsidiary of Bally's, granting us the right to use certain trademarks and service marks, including the Bally's marks. We expect that the license will be terminable in the event of an uncured material breach or in the event we are no longer an affiliate of BMG. If this license were to be terminated, we would be forced to rebrand, which could be costly, result in the loss of customers, and have a material adverse effect on the results of our operations.

Our business depends on the quality and reputation of the Bally's brands.

All of our products and services are offered under the Bally's brand names, and we intend to continue to develop and offer products and services under the Bally's brands. The concentration of our products and services under these brands may expose us to risks of brand deterioration or reputational decline, that are greater than if our portfolio were more diverse. Furthermore, as we are not the owner of the Bally's brands, any failure by Bally's to protect the Bally's brands could reduce their value and also harm our business.

If third parties claim that we infringe upon their intellectual property rights, our operating results could be adversely affected.

We face the risk of claims that we have infringed third parties' intellectual property rights. Any claims of trademark or other intellectual property infringement, even those without merit, could (i) be expensive and time consuming to defend; (ii) require us to rebrand or otherwise modify our operations; (iii) divert management's attention and resources or (iv) require us to enter into royalty or licensing agreements in order to obtain the right to use a third party's intellectual property. Any royalty or licensing agreements, if required, may not be available to us on acceptable terms or at all. A successful claim of infringement against

us of third party intellectual property infringement could result in our being required to pay significant

damages, enter into costly license or royalty agreements, or cease the infringing activity, any of which could have a material adverse effect on the results of our operations.

There is no guarantee that Bally's Chicago HoldCo will provide the Post-IPO Capital Commitment

In connection with the Transactions, Bally's Chicago OpCo intends to issue 30,000 LLC Interests to Bally's Chicago HoldCo in exchange for the $ Intercompany Notes Cancellation and the $ Post-IPO Capital Commitment. However, the Post-IPO Capital Commitment is subject to numerous risks and we cannot guarantee that Bally's Chicago HoldCo will provide the Post-IPO Capital Commitment in the future. For example, Bally's Chicago HoldCo may face liquidity constraints, potentially lacking the financial resources necessary to fulfill the Post-IPO Capital Commitment due to operational challenges, unexpected expenses or broader economic conditions affecting its financial position. Additionally, Bally's Chicago HoldCo's current or future agreements governing its indebtedness may impose restrictions that prevent or limit its ability to make the Post-IPO Capital Commitment, as covenants or other terms within these agreements could restrict cash outflows or require lender consent. In the event that Bally's Chicago HoldCo is unable to provide the Post-IPO Capital Commitment upon our request and we pursue litigation to enforce the payment, there may be challenges regarding the enforceability of an equity commitment under Delaware law, with legal uncertainties or disputes over the terms and conditions that may not allow to enforce such payment. Lastly, we may also choose not to request funding under the Post-IPO Capital Commitment and instead pursue alternative financing options, such as debt financing, influenced by market conditions, interest rates, or other strategic considerations. In the event the Post-IPO Capital Contribution is not provided, it could materially and adversely affect our financial condition, results of operations, and ability to execute our business strategy.

Cybersecurity and Technology Risks

We rely on information technology and other systems and platforms, and any failures, errors, defects or disruptions in our systems or platforms could diminish our brand and reputation, subject us to liability, disrupt our business, affect our ability to scale our technical infrastructure and adversely affect our operating results and growth prospects.

We currently engage, and intend to continue to engage, a number of third parties to provide gaming operating systems for our temporary casino and our permanent casino and resort. As a result, we currently rely, and will continue to rely, on such third parties to provide uninterrupted services in order to run our business efficiently and effectively. In the event one of these third parties experiences a disruption in its ability to provide such services (whether due to technological or financial difficulties or power problems), this may result in a material disruption to the wagering activity at our temporary casino and our permanent casino and resort, which could have a material adverse effect on our business, operating results and financial condition.

As we finalize construction and commence operating our permanent casino and resort, we expect the amount and types of product and services offerings to continue to grow and evolve, which will require an increasing amount of technical infrastructure, including network capacity and computing power, to continue to satisfy our customer's needs. Such infrastructure expansion may be complex, and unanticipated delays or limited availability of components may lead to increased project costs, operational inefficiencies or interruptions in the delivery or degradation of the quality of our offerings. In addition, there may be issues related to this infrastructure that are not identified during the testing phases of design and implementation, which may only become evident after we have started to fully use the underlying equipment or software, that could further degrade the customer experience or increase our costs. As such, we could fail to continue to effectively scale and grow our technical infrastructure to accommodate increased customer demands. Any unscheduled interruption in our technology services is likely to result in an immediate, and possibly substantial, loss of revenues due to a shutdown of our gaming operations, cloud computing and lottery systems.

We believe that if our users have a negative experience with our offerings, or if our brand or reputation

is negatively affected, users may be less inclined to continue or resume utilizing our products or recommend

our platform to other potential users. As such, a failure or significant interruption in our service would harm our reputation, business and operating results.

We are reliant on the reliability and viability of Internet infrastructure, which is out of our control, and the proper functioning of our own network systems.

The growth of Internet usage has caused interruptions and delays in processing and transmitting data over the Internet. There can be no assurance that Internet infrastructure or our own network systems will continue to be able to support the demands placed on them by the continued growth of the Internet, the overall gambling industry or that of our customers. The Internet's viability could be affected by delays in the development or adoption of new standards and protocols to handle increased levels of Internet activity or by increased government regulation. The introduction of legislation or regulations requiring Internet service providers in any jurisdiction to block access to our websites and products may restrict the ability of our customers to access products and services offered by us. Such restrictions, should they be imposed, could have a material adverse effect on our business, financial condition and results of operations.

If critical issues concerning the commercial use of the Internet are not favorably resolved (including security, reliability, cost, ease of use, accessibility and quality of service), if the necessary infrastructure is not sufficient or if other technologies and technological devices eclipse the Internet as a viable channel, this may negatively affect Internet usage, and our business, financial condition and results of operations will be materially adversely affected. Additionally, the increasing presence of viruses and cyber-attacks may affect the viability and infrastructure of the Internet and/or the proper functioning of our network systems and could materially adversely affect our business, financial condition and results of operations.

Our business may be harmed from cybersecurity incidents, and we may be subject to legal claims if there is loss, disclosure or misappropriation of or access to our customers', business partners' or our own information or other breaches of information security.

We intend to make extensive use of online services and centralized data processing, including through third-party service providers. The secure maintenance and transmission of customer information will be a critical element of our operations. Our information technology and other systems, or those of service providers and business partners, that maintain and transmit customer or employee information may be compromised by a malicious third-party penetration of our network security, or that of a third-party service provider or business partner, or impacted by intentional or unintentional actions or inactions by our employees, or those of a third-party service provider or business partner. As a result, our customers' or employee's information may be lost, disclosed, accessed or taken without our customers' or employees' consent.

In addition, we expect that third-party service providers and other business partners will process and maintain proprietary business information and data related to our employees, customers, suppliers and other business partners. The information technology and other systems that we design and implement to maintain and transmit this information, or those of service providers or business partners, may also be compromised by a malicious third-party penetration of our network security or that of a third-party service provider or business partner, or impacted by intentional or unintentional actions or inactions by our employees or those of a third-party service provider or business partner. As a result, our business information or customer, supplier and other business partner data may be lost, disclosed, accessed or taken without consent.

Any such loss, disclosure or misappropriation of, or access to, customers' or business partners' information or other breach of our information security can result in legal claims or legal proceedings, including regulatory investigations and actions, may have a serious impact on our reputation and may adversely affect our business, operating results and financial condition. Furthermore, the loss, disclosure or misappropriation of our business information may adversely affect our reputation, business, operating results and financial condition.

Risks Related to Our Indebtedness

Our existing and future indebtedness may limit our operating and financial flexibility.

In connection with the closing of this offering, we expect to incur up to $ million of Subordinated Loans in connection with the issuance of the Class A Interests. Our current and future indebtedness may have important negative consequences for us, including:

- limiting our ability to satisfy obligations;
- increasing vulnerability to general adverse economic and industry conditions;
- limiting flexibility in planning for, or reacting to, changes in our businesses and the markets in which we conduct business;
- increasing vulnerability to, and limiting our ability to react to, changing market conditions, changes in industry and economic downturns;
- limiting our ability to obtain additional financing to fund working capital requirements, capital expenditures, debt service, general corporate or other obligations;
- subjecting us to a number of restrictive covenants that, among other things, limit our ability to pay dividends and distributions, pay principal or interest on junior indebtedness, including the Subordinated Loans, make acquisitions and dispositions, borrow additional funds and make capital expenditures and other investments;
- limiting our ability to use operating cash flow in other areas of our business because we must dedicate a significant portion of these funds to make principal and/or interest payments on outstanding debt;
- causing our failure to comply with the financial and restrictive covenants contained in our current or future indebtedness could cause a default under such indebtedness (or our other indebtedness) and which, if not cured or waived, could adversely affect us; and
- affecting our ability to renew gaming and other licenses necessary to conduct our business.

Though we have significant amounts of indebtedness outstanding, we may issue or incur additional indebtedness to fund our operations, including as necessary to execute on our growth strategy. Further, we may incur other liabilities that do not constitute indebtedness. The risks that we face based on our outstanding indebtedness may intensify if we incur additional indebtedness or financing obligations in the future.

Servicing our indebtedness and funding our other obligations requires a significant amount of cash, and our ability to generate sufficient cash depends on many factors, some of which will be beyond our control.

Our ability to make payments on and refinance our indebtedness and to fund our operations and capital expenditures will depend upon our ability to generate cash flow and secure financing in the future. Our ability to generate future cash flow depends, among other things, upon:

- the timing of finalizing construction and development of our permanent casino and resort;
- our ability to obtain regulatory licenses to operate our temporary casino and our permanent casino and resort;
- our temporary casino's operating performance and our permanent casino and resort's future operating performance once it begins operations;
- general economic conditions;
- competition;
- legislative and regulatory factors affecting our operations and businesses; and
- our future operating performance.

Some of these factors will be beyond our control. There can be no assurance that our temporary casino or our permanent casino and resort will generate cash flow from operations or that future debt or

equity financings will be available to us to enable us to pay our indebtedness or to fund other needs. If our operating results and available cash are insufficient to meet our debt service obligations, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. We may not be able to consummate those dispositions or to obtain the proceeds that we could realize from them, and these proceeds may not be adequate to meet any debt service obligations then due. The inability to generate cash flow could result in us needing to refinance all or a portion of our indebtedness on or before maturity, including through the issuance of additional debt or equity securities. If needed, there can be no assurance that we will be able to refinance any of our indebtedness on favorable terms, or at all. Any inability to generate sufficient cash flow or refinance our indebtedness on favorable terms could adversely affect our financial condition.

We and Bally's Chicago OpCo will guarantee Bally's Corporation's indebtedness, the amount of which will be significant.

In connection with Bally's Chicago HoldCo's commitment to guarantee the GLP Lease Agreement and GLP Development Agreement, and in partial consideration for certain investments by Bally's Corporation and its subsidiaries into Bally's Chicago OpCo, we and Bally's Chicago OpCo intend to guarantee all of Bally's Corporation's indebtedness upon Bally's Corporation's (or its Parent Company's (as defined in Bally's Corporation's existing master lease agreement with GLP), if any, following a Control Transaction (as defined in the GLP Term Sheet)) guaranteeing the GLP Lease Agreement and the GLP Development Agreement or upon request from Bally's Corporation; *provided* that, at any time after such guarantee by Bally's Corporation (or its Parent Company) or such request from Bally's Corporation, upon request of Bally's Chicago OpCo, Bally's Corporation will guarantee Bally's Chicago OpCo's obligations under any lease obligations outstanding at such time, including any obligations under the Oak Street Lease Agreement or, if entered into, the GLP Lease Agreement and the GLP Development Agreement, to the maximum extent permitted under the instruments governing Bally's Corporation's indebtedness (assuming full borrowing of all outstanding commitments under Bally's Corporation's revolving credit facilities outstanding at such time). Furthermore, we and Bally's Chicago OpCo intend to enter into the Guarantee Agreement with Bally's Corporation, pursuant to which, at any time in the future, upon request from Bally's Corporation, we and Bally's Chicago OpCo will guarantee, and cause each of our wholly-owned subsidiaries to guarantee, any additional indebtedness that Bally's Corporation enters into at any time in the future. The amount of Bally's Corporation's indebtedness guaranteed by us and Bally's Chicago OpCo is significant, and the failure of Bally's to service its indebtedness and comply with the covenants thereunder, or refinance such indebtedness on favorable terms, could adversely affect our financial condition.

If Bally's Corporation or its subsidiaries are unable to generate sufficient cash to service all of its obligations, including, without limitation, indebtedness and lease obligations, they may default, and we, as guarantors of its obligations, may be forced to take other actions to fund the satisfaction of our obligations as guarantors, which may not be successful.

If the cash flow of Bally's Corporation or its subsidiaries is insufficient to fund its obligations, including, without limitation, indebtedness and lease obligations, then Bally's Corporation and/or its subsidiaries will be in default and holders of those obligations could declare all outstanding principal and interest to be due and payable. As guarantors, we would be required to repay such obligations. As a result, we could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to dispose of material assets or operations, raise additional debt or equity capital or restructure or refinance our indebtedness. However, we may not be able to implement any such alternative measures on commercially reasonable terms or at all and, even if successful, those alternative actions may not allow us to meet our scheduled debt service obligations. Even if new financing were available, it may be on terms that are less attractive to us than our then existing indebtedness or it may not be on terms that are acceptable to us. In addition, the new agreements may restrict our ability to dispose of assets and use the proceeds from those dispositions and may also restrict our ability to raise debt or equity capital to be used to repay other indebtedness when it becomes due. Thus, we may not be able to consummate those dispositions or to obtain proceeds in an amount sufficient to meet any debt service obligations then due. Moreover, pursuant to our and Bally's Chicago OpCo guarantee of the obligations, including, without limitation, indebtedness and lease obligations of Bally's Corporation and its subsidiaries, we will pledge our LLC Interests in Bally's Chicago OpCo as collateral and Bally's Chicago OpCo will mortgage the Chicago casino project to secure Bally's

---

Corporation's obligations. If we are unable to generate enough cash to repay the obligations, including, without limitation, indebtedness and lease obligations of Bally's Corporation or its subsidiaries, in the event of a default, the lenders under such obligations could foreclose against our assets securing such obligations and we could be forced into bankruptcy or liquidation.

Risks Related to Our Organizational Structure

Our principal asset after the completion of this offering and the concurrent private placements will be our interest in Bally's Chicago OpCo, and, as a result, we will depend on distributions from Bally's Chicago OpCo to pay our taxes and expenses. Bally's Chicago OpCo's ability to make such distributions may be subject to various limitations and restrictions.

Upon the closing of this offering and the concurrent private placements and the consummation of the Transactions, we will be a holding company and will have no material assets other than our ownership of LLC Interests. As such, we will have no independent means of generating revenue or cash flow, and our ability to pay our taxes and operating expenses or declare and pay dividends in the future, if any, will be dependent upon the financial results and cash flows of Bally's Chicago OpCo and distributions we receive from Bally's Chicago OpCo. There can be no assurance that Bally's Chicago OpCo will generate sufficient cash from operations, which, among other things, may be impacted by debt service payments on our or Bally's Chicago OpCo's senior indebtedness, capital expenditures, potential expansion opportunities and the availability of financing alternatives, the need to service any future indebtedness or other liquidity needs and general industry and business conditions, including the pace of the construction and development of our permanent casino and resort in Chicago. In addition, any debt we or Bally's Chicago OpCo may incur in the future is likely to restrict our and Bally's Chicago OpCo ability to pay dividends or distributions, and such restriction may prohibit us and Bally's Chicago OpCo from making distributions.

Bally's Chicago OpCo will report as a partnership for U.S. federal income tax purposes and, as such, generally will not be subject to any entity-level U.S. federal income tax. Instead, any taxable income of Bally's Chicago OpCo will be allocated to holders of LLC Interests, including us. Accordingly, we will incur income taxes on our allocable share of any net taxable income of Bally's Chicago OpCo. Under the terms of the Bally's Chicago OpCo LLC Agreement, Bally's Chicago OpCo will be obligated to make tax distributions to holders of LLC Interests, including us, to the extent it has distributable cash. In addition to tax expenses, we will also incur expenses related to our operations, which we expect could be significant. We intend, as its managing member, to cause Bally's Chicago OpCo to make cash distributions to the owners of LLC Interests in an amount sufficient to (1) fund all or part of their tax obligations in respect of taxable income allocated to them and (2) cover our operating expenses. However, Bally's Chicago OpCo's ability to make such distributions may be subject to various limitations and restrictions, such as restrictions on distributions that would either violate any contract or agreement to which Bally's Chicago OpCo is then a party, including any debt or financing agreements, or any applicable law, or that would have the effect of rendering Bally's Chicago OpCo insolvent. If we do not have sufficient funds to pay tax or other liabilities or to fund our operations, we may have to borrow funds, including potentially from Bally's and its affiliates if available, which could materially adversely affect our liquidity and financial condition and subject us to various restrictions imposed by any such lenders. In addition, if Bally's Chicago OpCo does not have sufficient funds to make distributions, our ability to declare and pay cash dividends will also be restricted or impaired. See *"— Risks related to the offering and ownership of our Class A Interests*" and "*Dividend Policy*."

Unanticipated changes in effective tax rates or adverse outcomes resulting from examination of our income or other tax returns could adversely affect our results of operations and financial condition.

We are subject to taxes by the U.S. federal, state and local tax authorities. Our future effective tax rates could be subject to volatility or adversely affected by a number of factors, including:

- changes in the valuation of our deferred tax assets and liabilities;
- expected timing and amount of the release of any tax valuation allowances;

- tax effects of stock-based compensation;

- costs related to intercompany restructurings;
- changes in tax laws, tax treaties, regulations or interpretations thereof; or
- lower than anticipated future earnings in jurisdictions where we have lower statutory tax rates and higher than anticipated future earnings in jurisdictions where we have higher statutory tax rates.

In addition, we may be subject to audits of our income, sales and other taxes by U.S. federal, state and local taxing authorities. Outcomes from these audits could have an adverse effect on our operating results and financial condition.

If we were deemed to be an investment company under the Investment Company Act of 1940, as amended, or the 1940 Act, including as a result of our ownership of Bally's Chicago OpCo, applicable restrictions could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business.

Under Sections 3(a)(1)(A) and (C) of the 1940 Act, a company generally will be deemed to be an "investment company" for purposes of the 1940 Act if (1) it is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities or (2) it engages, or proposes to engage, in the business of investing, reinvesting, owning, holding or trading in securities and it owns or proposes to acquire investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. We do not believe that we are an "investment company," as such term is defined in either of those sections of the 1940 Act.

We and Bally's Chicago OpCo intend to conduct our operations so that we will not be deemed an investment company. As the sole managing member of Bally's Chicago OpCo, we will control and operate Bally's Chicago OpCo. On that basis, we believe that our interest in Bally's Chicago OpCo is not an "investment security" as that term is used in the 1940 Act. However, if we were to cease participation in the management of Bally's Chicago OpCo, or if Bally's Chicago OpCo itself becomes an investment company, our interest in Bally's Chicago OpCo could be deemed an "investment security" for purposes of the 1940 Act.

We and Bally's Chicago OpCo intend to conduct our operations so that we will not be deemed an investment company. If it were established that we were an unregistered investment company, there would be a risk that we would be subject to monetary penalties and injunctive relief in an action brought by the SEC, that we would be unable to enforce contracts with third parties and that third parties could seek to obtain rescission of transactions undertaken during the period it was established that we were an unregistered investment company. If we were required to register as an investment company, restrictions imposed by the 1940 Act, including limitations on our capital structure and our ability to transact with affiliates, could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business.

Risks Related to this Offering and Ownership of our Class A Interests

The structure of this offering may have an adverse effect on our business plan.

The placement agents are offering the Class A Interests in this offering on a best efforts basis. The placement agents are not required to purchase any securities, but will use their best efforts to sell the securities offered. Further, this offering is only being made to persons that attest to satisfying the Class A Qualification Criteria. As a "best efforts" and "limited" offering, there can be no assurance that the offering contemplated hereby will ultimately be consummated or will result in any proceeds being made available to us. The success of this offering will impact our ability to use the proceeds to execute our business plan.

Our Class A Interests will not have an active trading market and are subject to restrictions on transferability and redemption provisions, and you may find it difficult to sell your Class A Interests.

The Class A Interests are a new issue of securities, and we do not plan to list or display the Class A Interests on any securities exchange or interdealer market quotation system. There is no trading market for our Class A Interests and, due to transferability restrictions, an active market for our Class A Interests will

not

likely develop in the future. As such, our Class A Interests will have limited liquidity and holders of our Class A Interests may not be able to monetize their full investment in our Class A Interests, if at all.

In addition, our Class A Interests are also subject to restrictions on transferability and redemption provisions, each of which will individually and in the aggregate materially impact the ability of holders of our Class A Interests to transfer their Class A Interests following the closing of this offering. Our Class A Interests can only be transferred without our consent to Permitted Transferees. Additionally, our Class A Interests can only be transferred with our consent to individuals or entities that attest to satisfying the Class A Qualification Criteria, and, in the case of Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, only after the Subordinated Loan attributable to such Interest has been paid in full and such Interests are converted to Class A-4 Interests. If a holder of Class A-1 Interests, Class A-2 Interests and/or Class A-3 Interests would like to transfer their Interests before the Subordinated Loans attributable to such class of Interests are paid off, such holder or the transferee may repay in full the pro rata amount of the remaining balance of the Subordinated Loans then outstanding attributable to such Interests before or substantially concurrently with such transfer and conversion. See "*Shares Eligible for Future Sale*" beginning on page 192. Class A Interests also cannot be transferred to employee benefit plans, IRAs and other Plans (as defined herein). See "*Certain ERISA Considerations*" beginning on page 201. These transfer and redemption provisions could materially and adversely impact the value of your Class A Interests.

Only individuals or entities that meet the Class A Qualification Criteria may own Class A Interests, which may lead to lawsuits.

The Host Community Agreement requires that 25% of Bally's Chicago OpCo's equity be owned by individuals that are women or Minorities or woman- or Minority-owned and controlled entities. As a result, this offering is only being made to, and all concurrent private placements are being entered into with, individuals and entities that attest to satisfying the Class A Qualification Criteria. This may result in lawsuits against us and the City of Chicago by persons that do not meet the Class A Qualification Criteria who are excluded from this offering. If any person were to bring such a lawsuit against us, we could incur substantial costs defending the lawsuit and the time and attention of our management would be diverted from our business and operations. Furthermore, in the event that a court were to find the Class A Qualification Criteria to be invalid or unconstitutional, the Host Community Agreement could be terminated, which could adversely affect our ability to operate our casinos and could materially adversely affect our business, financial condition and results of operations.

Our Class A Interests are not a "covered security," or otherwise exempt from the "blue sky" securities laws governing sales and purchases of Class A Interests in each of the fifty states, and therefore we must register in each state in which offers and sales will be made.

Our Class A Interests are not a "covered security" for purposes of the Securities Act. The term "covered security" applies to securities preempted under federal law from state securities registration requirements due to their oversight by federal authorities and self-regulatory authorities, such as national securities exchanges. Because our Class A Interests are not a "covered security," the sale of our Class A Interests are subject to securities registration in the various states that we plan to conduct this offering.

State securities laws may limit secondary trading, which may restrict the states in which and conditions under which you can sell our Class A Interests.

Secondary trading in our Class A Interests sold in the offering will not be possible in any state until our Class A Interests are qualified for sale under the applicable securities laws of such state or there is confirmation that an exemption is available for secondary trading in the state. If we fail to register or qualify, or to obtain or verify an exemption for the secondary trading of our Class A Interests in any particular state, our Class A Interests may not be offered or sold to, or purchased by, a resident of that state. In the event that a significant number of states or the states that we plan to conduct this offering in refuse to permit secondary trading in our Class A Interests, the liquidity for our Class A Interests could be significantly further affected, resulting in a potential loss on your investment.

An investment in the Class A Interests is not an FDIC insured deposit.

The Class A Interests are not savings accounts, deposits or other obligations of any bank or non-bank entities and are not insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC") or any other governmental agency or instrumentality. Your investment will be subject to investment risk and you may experience loss with respect to your investment.

The Class A Interests are equity and are subordinate to our existing and future indebtedness.

The Class A Interests are shares of stock in Bally's Chicago, Inc. and do not constitute indebtedness. As such, the Class A Interests will rank junior to all indebtedness and other non-equity claims on our business with respect to assets available to satisfy claims, including in a liquidation of the Company. Additionally, unlike indebtedness, where principal and interest would customarily be payable on specified due dates, in the case of our Class A Interests:

- pursuant to the terms of our amended and restated certificate of incorporation to be in effect prior to the closing of this offering, so long as there are Subordinated Loans outstanding that are attributable to each of our various Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, any cash available for distribution that would otherwise be paid to holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, as applicable, will be required to be used for the repayment of principal and accrued interest on the corresponding Subordinated Loans owed by us;
- as a corporation, we are subject to restrictions on payments of dividends and redemption price out of lawfully available funds; and
- as a regulated gaming company, our ability to declare and pay dividends is subject to additional restrictions imposed by law.

You may not receive dividends or other distributions on the Class A Interests.

Any debt we may incur in the future is likely to restrict our ability to pay dividends, and such restriction may prohibit us from making payments on the Subordinated Loans or distributions, or reduce the amount of cash available for distribution. In addition, Delaware law imposes requirements that may restrict our ability to pay dividends to holders of our shares. Dividends on the Class A Interests are discretionary and non-cumulative. Consequently, if our Board (or a duly authorized committee of our Board) does not authorize and declare a dividend, holders of our Class A Interests will not be entitled to receive any such dividend.

We will have no obligation to pay dividends with respect to the Class A Interests or any other shares we may issue. In addition, if and to the extent such act would cause us to fail to comply with applicable contractual restrictions (including our indebtedness), laws, rules and regulations (including applicable gaming rules in Illinois), we may not declare, pay or set aside for payment dividends on our Class A Interests.

Even if we pay dividends on our Class A Interests, pursuant to the terms of our amended and restated certificate of incorporation to be in effect prior to the closing of this offering, so long as there are Subordinated Loans outstanding that are attributable to each of our various Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, any cash available for distribution that would otherwise be paid to holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, as applicable, will be required to be used for the repayment of principal and accrued interest on the corresponding Subordinated Loans owed by us until such time as such Subordinated Loans are fully paid and discharged, which means you may never directly receive a cash dividend on your Class A-1 Interests, Class A-2 Interests and Class A-3 Interests.

Given the capital intensity of developing, constructing, opening and operating a casino resort project of this scale, we currently expect that Bally's Chicago OpCo will not have any OpCo cash available for distribution until approximately three to five years after our permanent casino and resort begins operations. However, this may fluctuate depending on Bally's Chicago OpCo's ability to generate cash from operations and its cash flow needs, which, among other things, may be impacted by debt service payments on its senior indebtedness, capital expenditures, potential expansion opportunities and the availability of financing

alternatives, the need to service any future indebtedness or other liquidity needs and general industry and business conditions, including the pace of the construction and development of our permanent casino and

resort in Chicago. Pursuant to the terms of our amended and restated certificate of incorporation to be in effect prior to the closing of this offering, so long as there are Subordinated Loans outstanding that are attributable to each of our various Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, any cash available for distribution that would otherwise be paid to holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, as applicable, will be required to be used for the repayment of principal and accrued interest on the corresponding Subordinated Loans owed by us. Therefore, even if our Board (or a duly authorized committee of our Board) authorizes and declares a dividend on our shares of stock, holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests will not be entitled to receive any such dividend until such time as the corresponding Subordinated Loans associated with such Class A Interests are paid in full, which may take a prolonged period of time to occur, if at all.

Our Subordinated Loans will accrue interest at a rate of 11.0% per annum, compounding quarterly, and accrued and unpaid interest will be added to the outstanding principal amount thereof on a quarterly basis. As a result, the amount of Subordinated Loans that are to be paid with a percentage of the amounts that would otherwise be paid on account of Class A-1 Interests, Class A-2 Interests and Class A-3 Interests will increase during the period between the closing date of this offering and the date, if any, on which dividends are to be paid on the Class A-1 Interests, Class A-2 Interests and Class A-3 Interests.

In addition, given the Class A-3 Subordinated Loans attributable to each Class A-3 Interest will be lower than the Class A-1 Subordinated Loans and Class A-2 Subordinated Loans attributable to the Class A-1 Interests and Class A-2 Interests, respectively, the Class A-3 Subordinated Loans are expected to be fully repaid prior to the Class A-1 Subordinated Loans and the Class A-2 Subordinated Loans, to the extent they are fully repaid. Similarly, the Class A-2 Subordinated Loans are expected to be fully repaid prior to the Class A-1 Subordinated Loans, to the extent they are fully repaid. However, due to the significant amount of indebtedness (including both principal and interest) owed on the Subordinated Loans, we do not expect to fully repay the Subordinated Loans for an extended period of time following the closing of this offering, if at all. As such, holders of Class A-1 Interests, Class A-2 Interests and Class A-3 Interests may not directly receive the cash dividends or other distributions that otherwise would have been payable on such Class A-1 Interests, Class A-2 Interests and Class A-3 Interests for an equivalently long period of time, if at all, or realize any accretion in value above the initial amount invested. Moreover, the value of the principal and accrued interest on the Subordinated Loans could exceed the value of the Class A-1 Interests, Class A-2 Interests and Class A-3 Interests otherwise payable upon a sale of the business, resulting in holders of the Class A-1 Interests, Class A-2 Interests and Class A-3 Interests receiving nothing upon such a sale.

Our amended and restated bylaws to be in effect prior to the closing of this offering will provide that, subject to limited exceptions, the state and federal courts (as appropriate) located within the State of Delaware will be the sole and exclusive forum for certain stockholder litigation matters, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or stockholders.

Our amended and restated bylaws will provide that, unless we consent in writing to the selection of an alternative forum, (A)(i) any derivative action or proceeding brought on behalf of us, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers, other employees or stockholders to us or to our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation to be in effect prior to the closing of this offering or amended and restated bylaws to be in effect prior to the closing of this offering (as either may be amended or restated) or as to which the DGCL confers exclusive jurisdiction on the Court of Chancery of the State of Delaware or (iv) any action asserting a claim governed by the internal affairs doctrine of the law of the State of Delaware, shall be exclusively brought in the Court of Chancery of the State of Delaware or, if such court does not have subject matter jurisdiction thereof, the federal district court of the State of Delaware, and (B) the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Notwithstanding the foregoing, the exclusive forum provision shall not apply to claims seeking to enforce any liability or duty created by the Exchange Act.

The choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and our directors, officers and other employees, although our stockholders will not

be deemed to have waived our compliance with federal securities laws and the rules and regulations thereunder. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation to be in effect prior to the closing of this offering to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, results of operations and financial condition. Any person or entity purchasing or otherwise acquiring or holding any interest in our equity securities shall be deemed to have notice of and consented to the forum provisions in our amended and restated certificate of incorporation to be in effect prior to the closing of this offering. Our exclusive forum provision shall not relieve the Company of its duties to comply with the federal securities laws and the rules and regulations thereunder, and our stockholders will not be deemed to have waived our compliance with these laws, rules, and regulations.

Holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests may be subject to taxes as the Subordinated Loans corresponding to such shares of stock are repaid, even though such holders do not receive a corresponding cash distribution.

Section 305 of the Internal Revenue Code provides that if a corporation distributes property to some shareholders and other shareholders have an increase in their proportionate interests in the assets or earnings and profits of the corporation, such other shareholders may be deemed to receive a distribution that could be a taxable dividend. In this case, because we and Bally's expect to treat the Subordinated Loans as "stock" for U.S. federal income tax purposes, "property" distributions will likely be considered to be made to "some shareholders" of Bally's Chicago, Inc. as payments are made on the Subordinated Loans, and equivalent cash ("property") distributions will be made with respect to the Class A-4 Interests. In addition, as payments are made on the Subordinated Loans, particularly those that repay the original principal amount of such Subordinated Loans, the proportionate interests of holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests in the assets or earnings and profits of Bally's Chicago, Inc. may be viewed as increasing. Accordingly, it is possible that such increase could be treated as a deemed distribution under Section 305 of the Code or otherwise as taxable income to such holders under other theories. However, under the Treasury Regulations relating to Section 305 of the Code and other IRS administrative guidance, certain financing arrangements in the form of preferred stock investments that fund a corporation and then are systematically eliminated through property distributions until they are fully retired, and are designed to facilitate the ownership of a business with an effect of increasing another stockholder's proportionate interests in the assets or earnings and profits of a corporation over such period, do not result in a deemed distribution to such other stockholder. The applicability of these authorities to the holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests in this situation is uncertain. Although the matter is not free from doubt, we intend to take the position that holders of applicable series of Class A Interests would not be treated as receiving a deemed distribution from us or otherwise realizing income as a result of repayment of the Subordinated Loans corresponding to such shares. However, there can be no assurance that the U.S. Internal Revenue Service will not take a contrary position, for example, treating the proportionate interest in our earnings and profits owned by holders of the applicable series of Class A Interests as having increased upon repayment of the Subordinated Loans corresponding to such shares, and treating such holders as having received a distribution. In that case, such deemed distribution may be treated as a dividend subject to U.S. federal income tax, without the receipt by holders of any cash. Investors should consult their own tax advisors about the application of Code Section 305 and any other potential deemed receipt of income risk with respect to our Class A Interests. See "*Material U.S. Federal Income Tax Consequences to U.S. Holders*."

If non-U.S. persons acquire our Class A Interests, such non-U.S. persons may be subject to material adverse U.S. federal income and/or withholding tax consequences if we are considered a United States real property holding corporation. Such adverse tax consequences and limitations on non-U.S. ownership may limit transferability and impact the value of our Class A Interests.

Non-U.S. persons are generally not entitled to participate in this offering and not permitted as transferees of our Class A Interests. See "*Plan of Distribution*" and "*Shares Eligible for Future Sale*." Such restrictions may limit transferability of our Class A Interests and have a negative impact on the value of our Class A Interests. In addition, if a non-U.S. person acquires our Class A Interests and we are considered a "United States real property holding corporation" for U.S. federal income tax purposes, such non-U.S. person

may be subject to material adverse U.S. federal income or withholding tax consequences, or both, in respect of certain distributions on, and payments in connection with a sale, exchange, redemption, repurchase or other disposition of, our Class A Interests.

General Risk Factors

Our ability to continue as a going concern depends upon the funding by Bally's Corporation.

We have incurred losses and negative cash flows from operations, excluding funds from Bally's Corporation, since our inception. Our ability to continue as a going concern depends upon the funding by Bally's Corporation. Our temporary casino began operations on September 9, 2023 and there can be no assurance that we will be able to be successful in the planned operations therein. If we are unable to obtain sufficient funding, we could be forced to change or delay our planned operating activities, and our liquidity, results of operations and financial condition could be materially and adversely affected and we may be unable to continue as a going concern. If we seek additional financing to fund our business activities in the future and there is substantial doubt about our ability to continue as a going concern, investors or other financing sources may be unwilling to provide additional funding to us on commercially reasonable terms or at all.

The amount of capital we are attempting to raise in this offering and the concurrent private placements may not be enough to sustain our current business plan.

In order to achieve our near and long-term goals, we may need to procure funds in addition to the amount raised in this offering and the concurrent private placements. There is no guarantee we will be able to raise such funds on acceptable terms or at all. If we are not able to raise sufficient capital in the future, we will not be able to execute our business plan, our continued operations will be in jeopardy and we may be forced to cease operations and sell or otherwise transfer all or substantially all of our remaining assets, which could cause you to lose all or a portion of your investment.

Our management team has limited experience managing a public company, and the requirements of being a public company may strain our resources, divert management's attention, and affect our ability to attract and retain qualified board members.

As a public company listed in the United States, we will incur significant additional legal, accounting and other expenses. In addition, changing laws, regulations and standards relating to corporate governance and public disclosure, including regulations implemented by the SEC and the State of Illinois, may increase legal and financial compliance costs, and make some activities more time consuming. These laws, regulations and standards are subject to varying interpretations, and as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies.

Most members of our management team have limited or no experience managing a publicly traded company, interacting with public company investors and complying with the increasingly complex laws pertaining to public companies. Our management team may not successfully or efficiently manage our transition to being a public company that is subject to significant regulatory oversight and reporting obligations under the federal securities laws and the continuous scrutiny of securities analysts and investors. Furthermore, we are committed to maintaining high standards of corporate governance and public disclosure, and our efforts to establish the corporate infrastructure required of a public company and to comply with evolving laws, regulations and standards are likely to divert management's time and attention away from revenue-generating activities to compliance activities, which may prevent us from implementing our business strategy and growing our business. Moreover, we may not be successful in implementing these requirements. If we do not effectively and efficiently manage our transition into a public company and continue to develop and implement the right processes and tools to manage our changing enterprise and maintain our culture, our ability to compete successfully and achieve our business objectives could be impaired, which could negatively impact our business, financial condition and results of operations.

Additionally, as a public company, we may from time to time be subject to proposals by stockholders urging us to take certain corporate actions. If activist stockholder activity ensues, we may be required to incur additional costs to retain the services of professional advisors, management time and attention will be

diverted from our core business operations, and perceived uncertainties as to our future direction, strategy or leadership may cause us to lose potential business opportunities and impair our brand and reputation, any of which could materially and adversely affect our business, financial condition and results of operations.

In addition to increasing our legal and financial compliance costs, the additional rules and regulations described above might also make it more difficult for us to obtain certain types of insurance, including director and officer liability insurance, and we might be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified persons to serve on our Board, on committees of our Board or as members of our senior management team.

If our estimates or judgments relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our results of operations could fall below the expectations of our investors and securities analysts, resulting in a decline in the value of our Class A Interests.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes. We base our estimates on many factors, including historical experience and various other assumptions that we believe to be reasonable under the circumstances, as discussed in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this prospectus, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity and expenses that are not readily apparent from other sources. Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below our publicly announced guidance or the expectations of securities analysts and investors, resulting in a decline in the value of our Class A Interests.

Our reported financial results may be negatively impacted by changes in GAAP and financial reporting requirements.

GAAP and related financial reporting requirements are complex, continually evolving and may be subject to varied interpretation by the relevant authoritative bodies, including the Financial Accounting Standards Board ("FASB"), the SEC and various bodies formed to promulgate and interpret appropriate accounting principles. FASB has in the past issued new or revised accounting standards that superseded existing guidance and significantly impacted the reporting of financial results. Any future change in GAAP and financial reporting requirements or interpretations could also have a significant effect on our reported financial results, and may even affect the reporting of past transactions completed before the announcement or effectiveness of a change if retrospective adoption is required. It is difficult to predict the impact of future changes to accounting principles or our accounting policies, any of which could negatively affect our reported results of operations.

The estimates of market opportunity and forecasts of market growth included in this prospectus may prove to be inaccurate, and even if the markets in which we compete achieve the forecasted growth, our business could fail to grow at similar rates, or at all.

The estimates of market opportunity and forecasts of market growth included in this prospectus may prove to be inaccurate. Market opportunity estimates and growth forecasts are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate, including as a result of any of the risks described in this prospectus.

The variables that go into the calculation of our market opportunity are subject to change over time, and there is no guarantee that any particular number or percentage of addressable customers covered by our market opportunity estimates will purchase our products at all or generate any particular level of revenue for us. In addition, our ability to expand in any of our target markets depends on a number of factors, including the cost, performance and perceived value associated with our products. Even if the markets in which we compete meet the size estimates and growth forecasted in this prospectus, our business could fail to grow at

similar rates, or at all. Our growth is subject to many factors, including our success in implementing

our business strategy, which is subject to many risks and uncertainties. Accordingly, the forecasts of market growth included in this prospectus should not be taken as indicative of our future growth.

We are an emerging growth company and a smaller reporting company, and the reduced disclosure requirements applicable to emerging growth companies and smaller reporting companies may make our Class A Interests less attractive to investors.

We are an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), and may remain an emerging growth company until the last day of the fiscal year following the fifth anniversary of the completion of this offering. However, if certain events occur prior to the end of such five-year period, including if we become a "large accelerated filer," as defined under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), our annual gross revenue exceeds $1.235 billion or we issue more than $1.0 billion of non-convertible debt in any three-year period, we will cease to be an emerging growth company prior to the end of such five-year period. For so long as we remain an emerging growth company, we are permitted and intend to rely on exemptions from certain disclosure requirements that are applicable to other public companies that are not emerging growth companies. These exemptions include:

- being permitted to provide only two years of audited financial statements, in addition to any required unaudited interim financial statements, with correspondingly reduced "Management's Discussion and Analysis of Financial Condition and Results of Operations" disclosure in connection with initial public offerings;
- not being required to comply with the auditor attestation requirements in the assessment of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act");
- not being required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements, unless the SEC determines the new rules are necessary for protecting the public;
- reduced disclosure obligations regarding executive compensation; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved.

We have taken advantage of reduced reporting burdens in this prospectus. In particular, in this prospectus, we have not included all of the executive compensation-related information that would be required if we were not an emerging growth company. We cannot predict whether investors will find our Class A Interests less attractive if we rely on these exemptions.

Emerging growth companies can also take advantage of the extended transition period provided in Section 13(a) of the Exchange Act for complying with new or revised accounting standards. In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have irrevocably elected not to use this extended transition period. As a result, our consolidated financial statements are comparable to the financial statements of companies that comply with new or revised accounting pronouncements as of public company effective dates.

We are also a smaller reporting company as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company. We may take advantage of certain of the scaled disclosures available to smaller reporting companies and will be able to take advantage of these scaled disclosures for so long as our voting and non-voting shares of stock held by non-affiliates is less than $250.0 million measured on the last business day of our second fiscal quarter, or our annual revenue is less than $100.0 million during the most recently completed fiscal year and our voting and non-voting shares of stock held by non-affiliates is less than $700.0 million measured on the last business day of our second fiscal quarter.

We will incur significant additional costs as a result of being a public company.

Upon the closing of this offering, we expect to incur increased costs associated with corporate governance requirements that will become applicable to us as a public company, including rules and

regulations of the SEC, under the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Customer Protection Act of 2010 and the Exchange Act, as well as the rules of the Nasdaq. These rules and regulations are expected to significantly increase our accounting, legal and financial compliance costs and make some activities more time consuming. We expect such expenses to further increase after we are no longer an "emerging growth company" or a "smaller reporting company." We also expect these rules and regulations to make it more expensive for us to maintain directors' and officers' liability insurance. If we fail to maintain sufficient levels of such insurance, it may be more difficult for us to attract and retain qualified persons to serve on our Board or as executive officers. We cannot predict or estimate the amount of additional costs we will incur as a public company or the timing of such costs.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INDUSTRY DATA

This prospectus contains forward-looking statements that relate to our current expectations and views of future events. These forward-looking statements are contained principally in the sections entitled "Prospectus Summary," "Risk Factors," "Use of Proceeds," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business." These statements relate to events that involve known and unknown risks, uncertainties and other factors, including those listed under "Risk Factors," which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

In some cases, these forward-looking statements can be identified by words or phrases such as "may," "will," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "potential," "continue," "is/are likely to" or other similar expressions.

These forward-looking statements are subject to risks, uncertainties and assumptions, some of which are beyond our control. In addition, these forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. Actual outcomes may differ materially from the information contained in the forward-looking statements as a result of a number of factors, including, without limitation, the risk factors set forth in "Risk Factors" and the following:

- We are subject to various construction and development risks in connection with our permanent casino and resort in Chicago;
- Any delay between the closing of our temporary casino and the opening of our permanent casino and resort could have a material adverse effect on our financial condition and results of operations;
- The casino, hotel and hospitality industry is capital intensive and we may not be able to finance development, expansion and renovation projects, which could put us at a competitive disadvantage;
- Both our temporary casino site and permanent casino and resort site are leased and could experience risks associated with leased properties, including risks relating to lease termination, inability to obtain satisfactory lease extensions, consents and approvals, charges and our relationship with landlords, which could have a material adverse effect on our business, financial position or results of operations;
- Our proposed lines of business are highly sensitive to reductions in discretionary consumer spending;
- The gaming industry, including retail casinos, iGaming and sports wagering, is highly competitive and increased competition, including through legislative legalization or expansion of gaming by states in or near Illinois or through Native American gaming facilities, could adversely affect our financial results;
- We will be subject to extensive state and local regulation and licensing, and gaming authorities have significant control over our operations, which could have an adverse effect on our business;
- Our business will be subject to a variety of laws in the United States and in Illinois, many of which are unsettled and still developing, and which could subject us to claims or otherwise harm our business. Any change in existing regulations or their interpretation, or the regulatory or prosecutorial climate applicable to the products and services we offer in our temporary casino, and intend to offer in our permanent casino and resort, or changes in gaming tax rates, tax rules and regulations or interpretation thereof related to such products and services, could adversely impact our ability to operate our business as currently conducted or as we seek to operate in the future, which could have a material adverse effect on our financial condition and results of operations;
- We will be reliant on effective payment processing services from a limited number of providers;
- Our profitability will be dependent, in part, on return to players;

- We will extend credit to a portion of our customers, and we may not be able to collect gaming receivables from our credit customers;
- Declining popularity of games and changes in device preferences of players could have a negative effect on our business;
- We may invest in or acquire other businesses, and our business may suffer if we are unable to successfully integrate acquired businesses into the Company or otherwise manage the growth associated with multiple acquisitions;
- Our results of operations and financial condition could be adversely affected by the occurrence of natural disasters, such as blizzards, floods, tornadoes, fires, or other catastrophic events, including war, terrorism and public health crises such as the COVID-19 pandemic;
- Failure to comply with the community investment program obligations specified in the Host Community Agreement could have a material adverse effect on our financial condition and results of operations;
- Bally's interests may conflict with our interests and the interests of the other holders of our stock. Conflicts of interest between Bally's and us could be resolved in a manner unfavorable to us and the other holders of our stock;
- We rely on information technology and other systems and platforms, and any failures, errors, defects or disruptions in our systems or platforms could diminish our brand and reputation, subject us to liability, disrupt our business, affect our ability to scale our technical infrastructure and adversely affect our operating results and growth prospects;
- Our business may be harmed from cybersecurity incidents and we may be subject to legal claims if there is loss, disclosure or misappropriation of or access to our customers', business partners' or our own information or other breaches of information security;
- Servicing our indebtedness and funding our other obligations requires a significant amount of cash, and our ability to generate sufficient cash depends on many factors, some of which will be beyond our control;
- Our Class A Interests will not have an active trading market, and you may find it difficult to sell your Class A Interests;
- You may not receive dividends or other distributions on the Class A Interests; and
- Pursuant to the terms of our amended and restated certificate of incorporation to be in effect prior to the closing of this offering, so long as there are Subordinated Loans outstanding that are attributable to each of our various Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, any cash available for distribution that would otherwise be paid to holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, as applicable, will be required to be used for the repayment of principal and accrued interest on the corresponding Subordinated Loans owed by us until such time as such Subordinated Loans are fully paid and discharged, which means you may never directly receive a cash dividend on your Class A-1 Interests, Class A-2 Interests and Class A-3 Interests.

The forward-looking statements made in this prospectus relate only to events or information as of the date on which the statements are made in this prospectus. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. You should read this prospectus and the documents that we reference in this prospectus and have filed as exhibits to the registration statement, of which this prospectus is a part, completely and with the understanding that our actual future results or performance may be materially different from what we expect.

We obtained the industry, market and competitive position data in this prospectus from publicly available information, industry and general publications and research, surveys and studies conducted by third parties. In addition, certain statistics, data and other information relating to markets, market sizes,

market shares, market positions and other industry data pertaining to our business and markets in this

prospectus are not based on published data obtained from independent third parties or extrapolations therefrom, but rather are based upon our own internal estimates and research, which are in turn based upon multiple third-party sources.

Industry publications and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. Forecasts and other forward-looking information obtained from these sources are subject to the same qualifications and uncertainties as the other forward-looking statements in this prospectus.

OUR ORGANIZATIONAL STRUCTURE

Bally's Chicago, Inc., a Delaware corporation, was formed on May 24, 2022 and is the issuer of the Class A Interests offered by this prospectus. Prior to this offering, all of our business operations have been conducted through Bally's Chicago OpCo. We will consummate the Transactions, as defined below, excluding this offering, on or prior to the consummation of this offering.

Transactions

We will consummate the following organizational transactions in connection with this offering (collectively, the "Transactions"):

- Bally's Chicago HoldCo will assign to us $ of Pre-IPO Intercompany Notes owed to it by us and $ of Pre-IPO Intercompany Notes owed to it by Bally's Chicago OpCo as the Pre-IPO Capital Contribution;
- we will amend and restate the existing limited liability company agreement of Bally's Chicago OpCo to, among other things, (1) convert all existing stock in Bally's Chicago OpCo into LLC Interests and (2) appoint Bally's Chicago, Inc. as the sole managing member of Bally's Chicago OpCo upon its acquisition of LLC Interests in connection with this offering;
- we will amend and restate Bally's Chicago, Inc.'s certificate of incorporation to, among other things, (1) give effect to the Common Stock Reclassification and (2) provide (A) for Class A Interests, with each Class A Interest entitling its holder to one vote per share on all matters presented to holders of our stock generally and (B) for Class B Interests, with each Class B Interest entitling its holder to one vote per share on all matters presented to holders of our stock generally, and that shares of our Class B Interests may only be held by Bally's Corporation's wholly-owned subsidiary, Bally's Chicago HoldCo, and its permitted transferees as described in "*Description of Capital Stock — Class B Interests*;"
- in exchange for the 100 shares of common stock held by Bally's Chicago HoldCo, (i) we will give effect to the Common Stock Reclassification as described in the transaction above, (ii) we will issue an additional 29,900 Class B Interests to Bally's Chicago HoldCo at $0.001 per Class B Interest, and (iii) we, as borrower, will enter into a subordinated loan agreement with Bally's Chicago HoldCo, as lender, governing Subordinated Loans in the following amounts (which in the aggregate amount equal the Pre-IPO Capital Contribution):
  - $ million of Class A-1 Subordinated Loans, based on $0.125 million of Class A-1 Interests sold in this offering and $ million Class A-1 Interests sold in the concurrent private placements;
  - $ million of Class A-2 Subordinated Loans, based on $2.5 million of Class A-2 Interests sold in this offering and $ million Class A-2 Interests sold in the concurrent private placements; and
  - $ million of Class A-3 Subordinated Loans, based on $5 million of Class A-3 Interests sold in this offering and $ million Class A-3 Interests sold in the concurrent private placements;
- we will issue 500 Class A-1 Interests, 1,000 Class A-2 Interests, 1,000 Class A-3 Interests and 7,500 Class A-4 Interests to the purchasers in this offering in exchange for proceeds of $195,125,000 based upon the assumed initial public offering prices set forth on the cover page of this prospectus;
- we will issue Class A-1 Interests, Class A-2 Interests, Class A-3 Interests and Class A-4 Interests to the private placement investors in exchange for proceeds of $ based upon the assumed initial public offering prices set forth on the cover page of this prospectus;
- we will pay $ in placement agent fees and offering and private placement expenses with the

proceeds we receive from Class A investors in this offering and the concurrent private placements

and will issue the IPO Expenses Note to Bally's Chicago OpCo in an amount equal to $, to cover the difference in the amount we will owe to Bally's Chicago OpCo in connection with the purchase of the LLC Interests;

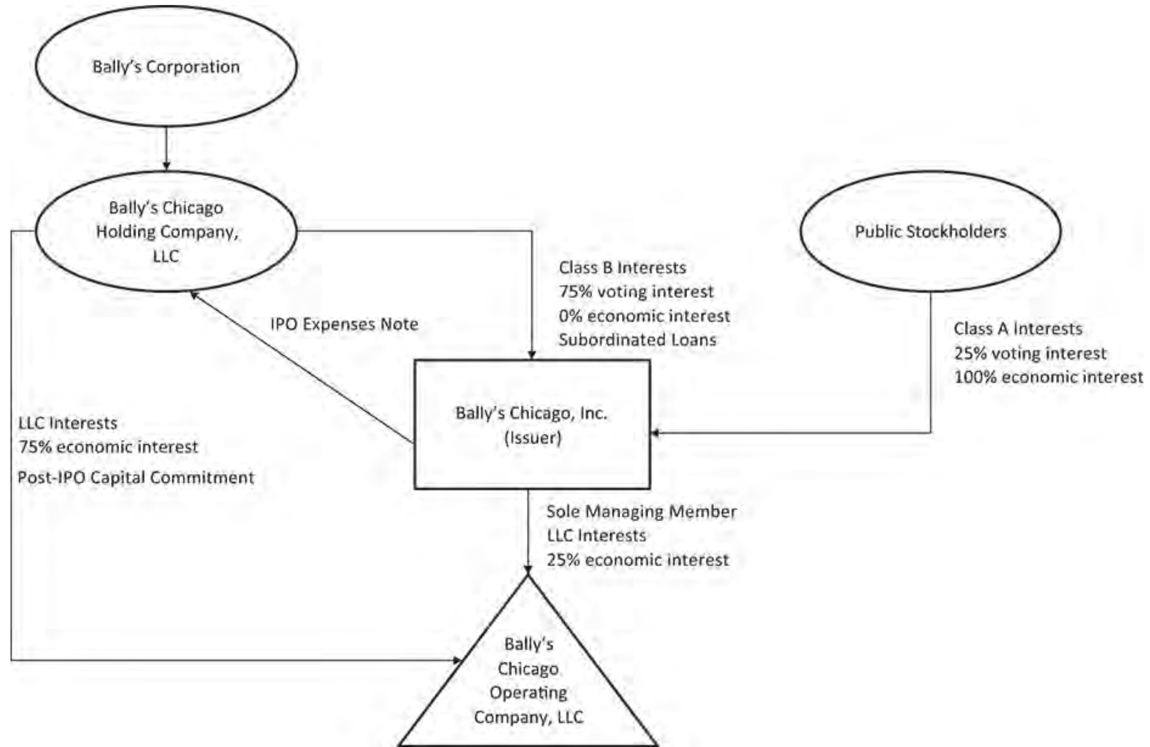
- Bally's Chicago OpCo intends to assign the IPO Expenses Note to Bally's Chicago HoldCo in exchange for the cancellation of $ of indebtedness owed by Bally's Chicago OpCo to Bally's Chicago HoldCo;
- we will use all of the net proceeds from this offering, together with the proceeds from the concurrent private placements, the Subordinated Loans and the IPO Expenses Note, to purchase 10,000 newly issued LLC Interests directly from Bally's Chicago OpCo at a price per unit equal to the stated value of $25,000 per Class A Interest, which is equal to the amount paid by investors in this offering plus the corresponding amount of Subordinated Loans attributable to each Class A Interest;
- Bally's Chicago OpCo intends to use the proceeds it receives from the sale of LLC Interests to us to repay $250.0 million outstanding aggregated amount under the Pre-IPO Intercompany Notes;
- Bally's Chicago OpCo intends to issue 30,000 LLC Interests to Bally's Chicago HoldCo, at a price per LLC Interest equal to the stated value of $25,000 per Class A Interest, which is equal to the amount paid by investors in this offering plus the corresponding amount of Subordinated Loans attributable to each Class A Interest, which is equal to the $ Intercompany Notes Cancellation and the $ Post-IPO Capital Commitment.

Organizational Structure Following this Offering

- Bally's Chicago, Inc. will be a holding company and its principal asset will consist of LLC Interests it purchases from Bally's Chicago OpCo;
- Bally's Chicago, Inc. will be the sole managing member of Bally's Chicago OpCo and will control the business and affairs of Bally's Chicago OpCo and its subsidiaries;
- Bally's Chicago, Inc. will own, directly or indirectly, 10,000 LLC Interests of Bally's Chicago OpCo, representing a 25.0% of the economic interest in Bally's Chicago OpCo;
- Bally's Chicago HoldCo will own 30,000 LLC Interests of Bally's Chicago OpCo, representing 75.0% of the economic interest in Bally's Chicago OpCo and 30,000 Class B Interests of Bally's Chicago, Inc., representing 75.0% of the voting power and no economic interest in Bally's Chicago, Inc.;
- the purchasers in this offering and the concurrent private placements will own (1) 10,000 Class A Interests of Bally's Chicago, Inc., representing 25.0% of the voting power of all of Bally's Chicago, Inc.'s stock and 100% of the economic interest in Bally's Chicago, Inc., and (2) through Bally's Chicago, Inc.'s ownership of 10,000 LLC Interests, indirectly will hold 25.0% of the economic interest in Bally's Chicago OpCo; and
- as the sole managing member of Bally's Chicago OpCo, we will conduct the business.

Following the Transactions, including this offering and the concurrent private placements, Bally's Chicago, Inc. will control the management of Bally's Chicago OpCo as the sole managing member. As a result, Bally's Chicago, Inc. will consolidate Bally's Chicago OpCo and record a significant noncontrolling interest in consolidated entity for the economic interest in Bally's Chicago OpCo held by Bally's Corporation.

The below depicts our organizational structure after giving effect to the Transactions, including this offering and the concurrent private placements.



As the sole managing member of Bally's Chicago OpCo, we will conduct the business. Following the Transactions, including this offering and the concurrent private placements, Bally's Chicago, Inc. will control the management of Bally's Chicago OpCo as the sole managing member. As a result, Bally's Chicago, Inc. will consolidate Bally's Chicago OpCo and record a significant noncontrolling interest in consolidated entity for the economic interest in Bally's Chicago OpCo held by Bally's Corporation.

USE OF PROCEEDS

We estimate that the net proceeds we will receive from the sale of Class A Interests in this offering will be approximately $195.1 million and, together with the net proceeds from the concurrent private placements, the Subordinated Loans and the IPO Expenses Note, will total $250.0 million, in each case assuming the sale of Class A Interests at the offering prices set forth on the cover of this prospectus, after deducting placement agent fees and offering and private placement expenses payable by us. See "*Plan of Distribution*" for additional detail regarding the placement agent fees.

We intend to use all of the net proceeds from this offering, together with the proceeds from the concurrent private placements, the Subordinated Loans and the IPO Expenses Note, to purchase 10,000 LLC Interests directly from Bally's Chicago OpCo at a price per unit equal to the stated value of $25,000 per Class A Interest, which is equal to the amount paid by investors in this offering plus the corresponding amount of Subordinated Loans attributable to each Class A Interest.

We are currently dependent on Bally's for a majority of our working capital and financing requirements. As of September 30, 2024, we and Bally's Chicago OpCo owe $631.0 million in Pre-IPO Intercompany Notes to Bally's and various of its subsidiaries.

Bally's Chicago OpCo intends to use the proceeds it receives from the sale of LLC Interests to Bally's Chicago, Inc. to repay $250.0 million outstanding aggregate amount under the Pre-IPO Intercompany Notes.

DIVIDEND POLICY

To date, we have never declared or paid any cash dividends on our stock.

Upon the closing of this offering and the concurrent private placements and the consummation of the Transactions, we will be a holding company, and our principal asset will be the LLC Interests we purchase from Bally's Chicago OpCo. If we decide to make a distribution in the future, we would need to cause Bally's Chicago OpCo to make distributions to us in an amount sufficient to cover the repayment of the IPO Expense Note, future borrowings plus such distribution. If Bally's Chicago OpCo makes such distributions to us, the other holders of LLC Interests will be entitled to receive pro rata distributions.

In addition, Bally's Chicago OpCo will report as a partnership for U.S. federal income tax purposes and, as such, generally will not be subject to any entity-level U.S. federal income tax. Instead, any taxable income of Bally's Chicago OpCo will be allocated to holders of LLC Interests, including us. Accordingly, we will incur income taxes on our allocable share of any net taxable income of Bally's Chicago OpCo. Under the terms of the Bally's Chicago OpCo LLC Agreement, Bally's Chicago OpCo will be obligated to make tax distributions to holders of LLC Interests, including us, to the extent it has distributable cash. In addition to tax expenses, we will also incur expenses related to our operations, which we expect could be significant. We intend, as its managing member, to cause Bally's Chicago OpCo to make cash distributions to the owners of LLC Interests in an amount sufficient to (1) fund all or part of their tax obligations in respect of taxable income allocated to them and (2) cover our operating expenses. However, Bally's Chicago OpCo's ability to make such distributions may be subject to various limitations and restrictions, such as restrictions on distributions that would either violate any contract or agreement to which Bally's Chicago OpCo is then a party, including any debt or financing agreements, or any applicable law, or that would have the effect of rendering Bally's Chicago OpCo insolvent. If we do not have sufficient funds to pay tax or other liabilities or to fund our operations, we may have to borrow funds, including potentially from Bally's and its affiliates if available, which could materially adversely affect our liquidity and financial condition and subject us to various restrictions imposed by any such lenders. See "*Risk Factors — Risks related to our organizational structure — Our principal asset after the completion of this offering and the concurrent private placements will be our interest in Bally's Chicago OpCo, and, as a result, we will depend on distributions from Bally's Chicago OpCo to pay our taxes and expenses. Bally's Chicago OpCo's ability to make such distributions may be subject to various limitations and restrictions*."

Furthermore, we intend to, as its managing member, cause Bally's Chicago OpCo to make distributions of OpCo cash available for distribution on a quarterly basis. We define *OpCo cash available for distribution* as earnings or loss before interest, taxes, depreciation and amortization, non-cash stock-based compensation, gain or loss on asset disposals or impairment, and certain other unusual or non-cash income and expense items such as gains or losses on settlement of liabilities and exchanges, and changes in the fair value of derivatives, if applicable, less payments made on senior indebtedness, capital expenditures, cash taxes, rent without duplication and changes in working capital and cash used for acquisitions and dispositions. We do not expect any such distributions until after the permanent casino and resort is fully operational and generates cash flow.

In turn, we intend to distribute cash available for distribution to the holders of our Class A Interests (subject to certain requirements discussed below). Holders of our Class B Interests will not be entitled to participate in distributions declared by our Board. We define *cash available for distribution* as earnings or loss before interest, taxes, depreciation and amortization, non-cash stock-based compensation, gain or loss on asset disposals or impairment, and certain other unusual or non-cash income and expense items such as gains or losses on settlement of liabilities and exchanges, and changes in the fair value of derivatives, if applicable, *less* payments made on senior indebtedness, capital expenditures, cash taxes, rent without duplication and changes in working capital and cash used for acquisitions and dispositions. Cash that is distributed to holders of our Class A Interests will be distributed pro rata according to the number of Class A-1 Interests, Class A-2 Interests, Class A-3 Interests and Class A-4 Interests outstanding at the time of such distribution. Given the capital intensity of developing, constructing, opening and operating a casino resort project of this scale, we currently expect that Bally's Chicago OpCo will not have any OpCo cash available for distribution until approximately three to five years after our permanent casino and resort begins operations. However, this may fluctuate depending on Bally's Chicago OpCo's ability to generate cash from operations and its cash flow needs, which, among other things, may be impacted by debt service payments on its senior indebtedness, capital expenditures, potential expansion opportunities and the availability of financing alternatives, the need to service any future indebtedness or other liquidity needs and general industry and business conditions, including the pace of the construction and development of our permanent casino and resort in Chicago.

Pursuant to the terms of our amended and restated certificate of incorporation to be in effect prior to the closing of this offering, so long as there are Subordinated Loans outstanding that are attributable to

each of our various Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, any cash available for distribution that would otherwise be paid to holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, as applicable, will be required to be used for the repayment of principal and accrued interest on the corresponding Subordinated Loans owed by us. The Subordinated Loans will bear interest at a rate equal to 11.0% per annum, compounding quarterly, will be pre-payable at any time without a premium or penalty at a prepayment price equal to the principal amount thereof plus accrued interest, and will have no maturity date. See "*Subordinated Loans*" for more information on the Subordinated Loans.

If the principal and interest of any of the Subordinated Loans have been paid in full, by distributions from Bally's Chicago OpCo or any other means, we intend to distribute to holders of the corresponding Class A Interests with respect to any such Subordinated Loan an amount equal to 100% of the applicable distribution specified above in the form of a direct cash dividend.

While we intend, as its managing member, to cause Bally's Chicago OpCo to make distributions on a quarterly basis once it is able to generate OpCo cash available for distribution approximately three to five years after our permanent casino and resort begins operations, we and Bally's Chicago OpCo have not adopted a formal written dividend or distribution policy to pay a fixed amount of cash regularly or to pay any particular amount based on the achievement of, or derivable from, any specific financial metrics, including OpCo cash available for distribution. Further, we and Bally's Chicago OpCo are not contractually obligated to pay any dividends or make any distributions and do not have any required minimum quarterly dividend or distribution, except for tax-related distributions described above. Our and Bally's Chicago OpCo's distributions may vary from quarter to quarter, may be significantly reduced or may be eliminated entirely. While we and Bally's Chicago OpCo intend to make distributions equal to 100% of the cash available for distribution and OpCo cash available for distribution, respectively, on a quarterly basis, the actual amount of any distributions may fluctuate depending on our and Bally's Chicago OpCo's ability to generate cash from operations and our and Bally's Chicago OpCo's cash flow needs, which, among other things, may be impacted by debt service payments on our or Bally's Chicago OpCo's senior indebtedness, capital expenditures, potential expansion opportunities and the availability of financing alternatives, the need to service any future indebtedness or other liquidity needs and general industry and business conditions, including the pace of the construction and development of our permanent casino and resort in Chicago. Our Board will have full discretion on how to deploy cash available for distribution, including the payment of dividends. Any debt we or Bally's Chicago OpCo may incur in the future is likely to restrict our and Bally's Chicago OpCo ability to pay dividends or distributions, and such restriction may prohibit us and Bally's Chicago OpCo from making distributions, or reduce the amount of cash available for distribution and OpCo cash available for distribution. See "*Risk Factors — Risks Related to this Offering and Ownership of our Class A Interests — You may not receive dividends or other distributions on the Class A Interests.*" In addition, Delaware law imposes requirements that may restrict our ability to pay dividends to holders of our shares. Certain distributions paid may be considered a return of capital for U.S. federal income tax purposes. See "*Material U.S. Federal Income Tax Consequences to U.S. Holders — Distributions*" for a description of the U.S. federal income tax treatment of the dividends and other distributions of cash or property to holders of the Class A Interests.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and our capitalization as of September 30, 2024 on:

- an actual basis; and
- a pro forma basis after giving effect to the Transactions described under "*Unaudited Pro Forma Condensed Consolidated Financial Information,*" including the sale by us of 500 Class A-1 Interests, 1,000 Class A-2 Interests, 1,000 Class A-3 Interests, and 7,500 Class A-4 Interests offered in this offering and concurrent private placements at the initial public offering prices set forth on the front cover of this prospectus and the application of the proceeds therefrom as described in "*Use of Proceeds*." The net proceeds from this offering and concurrent private placements are based on our current assumption of the mix of Class A Interests to be sold. The amounts reflected in the Pro Forma column are based on currently available information and assumptions that the Company's management believes are reasonable. See Note 2 in the "*Unaudited Pro Forma Condensed Consolidated Financial Information*" for a sensitivity analysis related to the expected proceeds of the offering and concurrent private placements.

The information in this table is illustrative only and our capitalization following the closing of this offering and the concurrent private placements will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing. You should read this table in conjunction with the information contained in "*Use of Proceeds*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," as well as the financial statements and the notes thereto included elsewhere in this prospectus:

	As of September 30, 2024	
	Actual	Pro Forma
	(in thousands, except share data)	
Cash and cash equivalents	$ 17,557	$ 17,557
Debt:		
Pre-IPO Intercompany Notes	631,040	—
Promissory notes to related party (Bally's Chicago HoldCo)	—	11,708
Class A-1 Subordinated Loans	—	12,375
Class A-2 Subordinated Loans	—	22,500
Class A-3 Subordinated Loans	—	20,000
Total debt	$ 631,040	$ 66,583
Redeemable Noncontrolling interest	—	750,000
Equity:		
Common stock	—	—
Stock, $0.001 par value; shares authorized, actual; shares authorized, pro forma:		
Class A-1 Interests; 0 shares designated, issued and outstanding, actual; 500 shares authorized, pro forma	—	—
Class A-2 Interests; 0 shares designated, issued and outstanding, actual; 1,000 shares authorized, pro forma	—	—
Class A-3 Interests; 0 shares designated, issued and outstanding, actual; 1,000 shares authorized, pro forma	—	—
Class A-4 Interests; 0 shares designated, issued and outstanding, actual; 7,500 shares authorized, pro forma	—	—
Class B Interests; 0 shares designated, issued and outstanding, actual; 30,000 shares authorized, pro forma	—	—
Stockholders' note	—	(368,960)
Additional paid-in capital	974	179,365
Accumulated deficit	(286,532)	(286,532)
Total stockholders' (deficit) equity	(285,558)	476,127

Total capitalization	$ 325,482	$ 340,456

The number of shares of stock to be outstanding immediately following this offering set forth above is based on 500 Class A-1 Interests, 1,000 Class A-2 Interests, 1,000 Class A-3 Interests and 7,500 Class A-4 Interests outstanding as of September 30, 2024. While the Class A-1 Interests and Class A-2 Interests are legally outstanding, they are not considered to be outstanding for accounting purposes as they are treated as equity classified warrants. See "*Unaudited Pro Forma Condensed Consolidated Financial Information*" for more information.

DILUTION

If you purchase our Class A Interests in this offering, your shares will be diluted to the extent of the difference between the initial public offering price per share of our Class A Interests and the pro forma as adjusted net tangible book value per share of our stock.

Net tangible book value per share is determined by dividing our total tangible assets less our total liabilities by the number of outstanding shares. Our historical net tangible book value (deficit) as of September 30, 2024 was $(471,808) or $(4,718,080) per share.

Our pro forma, as adjusted, net tangible book value (deficit) as of September 30, 2024 was $87,624 or $2,190.59 per share, after giving effect to the sale by us of Class A Interests in this offering at the initial public offering prices set forth on the front cover of this prospectus and of Class A Interests in the concurrent private placements at the initial public offering prices set forth on the front cover of this prospectus, and the proceeds from the Subordinated Loans and IPO Expenses Note.

The pro forma, as adjusted, net tangible book value (deficit) set forth above represents an immediate increase in net tangible book value of $17,917.52 per share to the existing holders of our stock in, and an immediate dilution in net tangible book value of approximately $30,559.41 per share to new investors purchasing the Class A Interests in this offering. The following table illustrates this dilution on a per share basis based on the various aggregate offering proceeds listed on the following table:

	Class A-1 Interest	Class A-2 Interest	Class A-3 Interest	Class A-4 Interest
Assumed initial public offering price per share	$ 250	$ 2,500	$ 5,000	$ 25,000
Pro forma net tangible book value (deficit)(1) per share as of September 30, 2024	—	—	—	(15,726.93)(1)
Increase in pro forma net tangible book value (deficit) per share attributable to this offering and the concurrent private placements	27.38	54.76	54.76	17,780.61
Pro forma as adjusted net tangible book value per share after this offering and the concurrent private placements(2)	27.38	54.76	54.76	2,053.68
Dilution per share to investors in this offering and the concurrent private placements	$222.62	$2,445.24	$4,945.24	$ 22,946.32

(1) The pro forma net tangible book value (deficit) was calculated using our historical net tangible book value (deficit) as of September 30, 2024 divided by 30,000 Class B Interests, assuming that all the Class B Interests outstanding prior to this offering were exchanged for Class A-4 Interests to reflect the economics of the transaction.

(2) Pro forma as adjusted net tangible book value per share was calculated including the 10,000 Class A Interests issued as part of this offering and concurrent private placements. While the Class A-1 Interests and Class A-2 Interests are legally outstanding, they are not considered to be outstanding for accounting purposes as they are treated as equity classified warrants. See "*Unaudited Pro Forma Condensed Consolidated Financial Information*" for more information.

We may need to raise additional capital in the future to fund our ongoing operations. We may in the future sell substantial amounts of stock or securities convertible into or exchangeable for our stock. We may also choose to raise additional capital due to market conditions or other strategic considerations even if we believe we have sufficient funds for our current or future operating plans. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the issuance of these securities could result in further dilution to our stockholders.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Introduction

The following unaudited pro forma condensed consolidated balance sheet as of September 30, 2024 and the unaudited pro forma condensed consolidated statements of operations for the nine months ended September 30, 2024 and the year ended December 31, 2023 present our consolidated financial position and results of operations after giving effect to the Transactions.

In conjunction with this offering and the consummation of the Transactions, Bally's Chicago Holdco will be the sole holder of Class B Interests, holding 75% of the voting power in the Company. Bally's Chicago Holdco will hold also the remaining 75% economic interest in Bally's Chicago OpCo, through its ownership of LLC interests, which was acquired by exchanging the remaining Pre-IPO Intercompany Notes in the amount of $381.0 million and by issuing the Post-IPO Capital Commitment in the amount of $369.0 million. Bally's Chicago's non-controlling interest in Bally's Chicago OpCo will be reflected as redeemable noncontrolling interest on the Company's consolidated balance sheet.

The unaudited pro forma condensed consolidated financial information is based on the assumption that public stockholders will elect to purchase Class A-1 Interests, Class A-2 Interests, Class A-3 Interests, and Class A-4 Interests in this offering and concurrent private placements, using currently available information and assumptions that the Company's management believes are reasonable. However, it is important to note that public stockholders have not yet elected these amounts. Therefore, in view of the uncertain nature of any prediction as to the number of each tranche of Class A interests to be sold, and corresponding amount of Subordinated Loans, the unaudited pro forma condensed consolidated financial information has been prepared using the assumption that we will issue 500 shares of Class A-1 Interests, 1,000 shares of Class A-2 Interests, 1,000 shares of Class A-3 Interests, and 7,500 shares of Class A-4 Interests through this offering and concurrent private placements, with a corresponding impact to the amount of Subordinated Loans. For pro forma presentation purposes, the Class A-1 Interests and Class A-2 Interests are accounted for as warrants that meet the criteria for equity classification and thus these shares are not considered to be outstanding in the computation of pro forma basic and diluted loss per share. The Class A-3 Interests are accounted for as partially paid Class A-4 Interests and thus included in the pro forma basic and diluted loss per share based on the Class A-4 share equivalent number. See Note 2, "Offering and Transaction Accounting Adjustments" to the unaudited pro forma condensed combined financial statements for additional sensitivity analysis information regarding the impact of the amount of each Class A Interest tranche to be sold.

The unaudited pro forma condensed consolidated financial information was prepared in accordance with Article 11 of Regulation S-X, using the assumptions set forth in the notes to the unaudited pro forma condensed consolidated financial information. The following unaudited pro forma condensed consolidated balance sheet as of September 30, 2024, gives effect to the Transactions as if they had occurred on September 30, 2024. The following unaudited pro forma condensed consolidated statements of operations for the nine months ended September 30, 2024, and the year ended December 31, 2023, give effect to the Transactions as if they had occurred on January 1, 2023.

We have derived the unaudited pro forma condensed consolidated balance sheet as of September 30, 2024, and the unaudited pro forma condensed consolidated statements of operations for the nine months ended September 30, 2024 and the year ended December 31, 2023, from the financial statements of Bally's Chicago, Inc., included elsewhere in this prospectus. The unaudited pro forma condensed consolidated financial information reflects adjustments that are described in the accompanying notes and are based on available information and certain assumptions we believe are reasonable but are subject to change.

As a public company, we will be implementing additional procedures and processes for the purpose of addressing the standards and requirements applicable to public companies. We expect to incur additional annual expenses related to these steps and, among other things, additional directors' and officers' liability insurance, director fees, costs for reporting requirements of the SEC, transfer agent fees, costs for hiring additional accounting, legal, and administrative personnel, increased auditing and legal expenses, and other

related costs. Due to the scope and complexity of these activities, the amount of these costs would be

based on subjective estimates and assumptions that could increase or decrease materially. We have not included any pro forma adjustments related to these costs.

The unaudited pro forma condensed consolidated financial information is provided for informational purposes only and is not necessarily indicative of the operating results that would have occurred if the Transactions had been completed as of the dates set forth above, nor is it indicative of our future results. The unaudited pro forma condensed consolidated financial information should be read together with "*Our Organizational Structure*," "*Use of Proceeds*," "*Capitalization*," "*Summary Historical and Unaudited Pro Forma Condensed Consolidated Financial and Other Data*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," "*Subordinated Loans*," "*Concurrent Private Placements*," and our historical financial statements and related notes of Bally's Chicago, Inc., each included elsewhere in this prospectus.

TABLE OF CONTENTS

BALLY'S CHICAGO, INC. AND SUBSIDIARIES

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

As of September 30, 2024

(In thousands, except share data)

	Bally's Chicago, Inc.	Transaction Accounting Adjustments	Note	Offering Adjustments	Note	Pro Forma
Current assets						
Cash	$ 17,557	$ —		$ —	(b)	$ 17,557
Accounts receivable	1,857	—		—		1,857
Inventory	2,086	—		—		2,086
Due from related party (Bally's Corporation)	974	—		—		974
Prepaid expenses and other current assets	5,062					5,062
Total current assets	**27,536**	**—**		**—**		**27,536**
Property and equipment, net	156,481	—		—		156,481
Right of use assets, net	210,962	—		—		210,962
Intangible assets	186,250	—		—		186,250
Other assets	5,026	—		(5,026)	(f)	—
Total assets	**$ 586,255**	**$ —**		**$ (5,026)**		**$ 581,229**
Liabilities and Stockholders' deficit						
Current portion of lease liabilities	$ 4,517	$ —		$ —		$ 4,517
Accounts payable	8,490	—		—		8,490
Accrued liabilities	20,042	—		—		20,042
Promissory notes to related party (Bally's Chicago HoldCo)	—			11,708	(c)	11,708
Due to related party (Bally's Corporation)	391					391
Due to related party (Bally's Chicago HoldCo)	—	195,125	(a)(d)	(195,125)	(b)	—
Total current liabilities	**33,440**	**195,125**		**(183,418)**		**45,148**
Long-term portion of financing obligation	207,333	—		—		207,333
Long-term portion of lease liabilities	—	—		—		—
Long–term promissory notes to related party	631,040	(631,040)	(a)			—
Subordinate loan (Bally's Chicago HoldCo)	—	—		54,875	(c)	54,875
Total liabilities	**871,813**	**(435,915)**		**(128,543)**		**307,356**
Commitments and contingencies						
Redeemable noncontrolling interest		750,000	(d)			750,000
Stockholders' deficit:						
Common Stock, $0.01 par value, 100 shares authorized, issued and outstanding	—	0	(e)			
Class B Interests, par value 0.0001 per 30,000 shares authorized, issued, and outstanding as of September 30, 2024	—	0	(e)	—		
Class A-1 Interests, par value 0.0001 per 500 shares authorized, issued, and outstanding as of September 30, 2024	—	—		0	(b)	0
Class A-2 Interests, par value 0.0001 per 1,000 shares authorized, issued, and outstanding as of September 30, 2024	—	—		0	(b)	0
Class A-3 Interests, par value 0.0001 per 1,000 shares authorized, issued, and outstanding as of September 30, 2024	—			0	(b)	0
Class A-4 Interests, par value 0.0001 per 7,500 shares authorized, issued, and outstanding as of September 30, 2024	—	—		0	(b)	0
Stockholders' note	—	(368,960)	(d)	—		(368,960)
Additional paid-in-capital	974	54,875	(a)	123,516	(b)(c)(f)	179,365
Accumulated deficit	(286,532)	—		—		(286,532)
Total stockholders' deficit	**(285,558)**	**(314,095)**		**123,516**		**(476,127)**
Total liabilities, redeemable noncontrolling interest and stockholders' deficit	**$ 586,255**	**$ —**		**$ (5,026)**		**$ 581,229**

BALLY'S CHICAGO, INC. AND SUBSIDIARIES

UNAUDITED PRO FORMA CONDENSED STATEMENT OF OPERATIONS

For The Nine Months Ended September 30, 2024

(In thousands, except share and per share data)

	As Reported	Transaction Accounting Adjustments	Note	Offering Adjustments	Note	Proforma
Revenue						
Gaming	$ 86,851	$ —		$ —		86,851
Non-gaming	9,786	—		—		9,786
Total revenue	96,637	—		—		96,637
Operating costs and expenses:						
Gaming	44,322	—		—		44,322
Non-gaming	5,928	—		—		5,928
General and administrative	45,398	—		—		45,398
Management fees to Bally's Corporation	45,000	—		—		45,000
Depreciation and amortization	13,633	—		—		13,633
Loss on Sale-leaseback	150,000					150,000
Total operating costs and expenses	304,281	—		—		304,281
Loss from operations	(207,644)	—		—		(207,644)
Other income (expenses):		—		—		
Interest income	1,466	—		—		1,466
Interest expense, net of amounts capitalized	(6,891)			(6,152)	(i)	(13,043)
Other non-operating income (expenses), net	—	—		—		—
Total other expense, net	(5,425)			(6,152)		(11,577)
Loss before provision for income taxes	(213,069)			(6,152)		(219,221)
Benefit for income taxes	—	—		—	(j)	—
Net (loss)	$ (213,069)	$ —		$(6,152)		$(219,221)
Net (loss) attributable to non-controlling interest	—	(164,416)	(g)	—		(164,416)
Net (loss) attributable to Bally's Chicago, Inc.	$ (213,069)	$ (164,416)		$ —		$ (54,805)
Basic and diluted loss per share	$(2,130,690)	$2,130,690	(h)	$ —		$ —(h)
Weighted average common shares outstanding, basic and diluted	100	(100)	(h)			—(h)
Class A-3, and Class A-4 Interests, basic and diluted loss per share	—					$ (7,118)(h)
Weighted average Class A-3, and Class A-4 Interests outstanding, basic and diluted	—			7,700		7,700(h)

BALLY'S CHICAGO, INC. AND SUBSIDIARIES

UNAUDITED PRO FORMA CONDENSED STATEMENT OF OPERATIONS

For the Year Ended December 31, 2023

(In thousands, except share and per share data)

	As Reported	Transaction Accounting Adjustments	Note	Offering Adjustments	Note	Pro Forma
Revenue						
Gaming	$ 28,734	$ —		$ —		$ 28,734
Non-gaming	3,443	—		—		3,443
Total revenue	32,177	—		—		32,177
Operating costs and expenses:						
Gaming	13,430	—		—		13,430
Non-gaming	2,138	—		—		2,138
General and administrative	36,441	—		—		36,441
Management fees to Bally's Corporation	20,680	—		—		20,680
Depreciation and amortization	5,705	—		—		5,705
Total operating costs and expenses	78,394	—		—		78,394
Loss from operations	(46,217)	—		—		(46,217)
Other income (expenses):						
Interest income	2,778	—		—		2,778
Interest expense, net of amounts capitalized	(13,819)	—		(7,578)	(i)	(21,397)
Other non-operating income (expenses), net	893	—		—		893
Total other expense, net	(10,148)	—		(7,578)		(17,726)
Loss before provision for income taxes	(56,365)	—		(7,578)		(63,943)
Benefit for income taxes	—	—		—	(j)	—
Net (loss)	$ (56,365)	$ —		$(7,578)		$(63,943)
Net (loss) attributable to non-controlling interest	—	(47,957)	(g)			(47,957)
Net (loss) attributable to Bally's Chicago, Inc.	$ (56,365)	$ (47,957)		$ —		$(15,986)
Basic and diluted loss per share	$(563,650)	$563,650	(h)	$ —		$ —
Weighted average common shares outstanding, basic and diluted	100	(100)	(h)	—		—
Class A-3 and Class A-4 Interests, basic and diluted loss per share	—			—		$ (2,076)(h)
Weighted average Class A-3 and Class A-4 Interests outstanding, basic and diluted	—			7,700		7,700(h)

NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

1. Description of the Transactions and Basis of Presentation

The unaudited pro forma consolidated financial information was prepared in accordance with Article 11 of Regulation S-X, as amended by the final rule, Release No. 33-10786 "Amendments to Financial Disclosures about Acquired and Disposed Businesses," and presents the pro forma financial condition and results of operations of the Company based upon the historical financial information after giving effect to the Transactions and related adjustments set forth in the notes to the unaudited pro forma consolidated financial information.

For purposes of the unaudited pro forma condensed financial information, we have anticipated that we will issue 500 shares of Class A-1 Interests,1,000 shares of Class A-2 Interests,1,000 shares of Class A-3 Interests, and 7,500 shares of Class A-4 Interests through this offering and the concurrent private placements at a price per share equal to public offering prices as set forth on the cover of this prospectus.

Following the closing of this offering, the concurrent private placements, the applications of proceeds therefrom, and the consummation of the Transactions, we will be a holding company. Our principal asset will be LLC interests in Bally's Chicago OpCo (the "LLC Interests") that we purchase using proceeds from the offering, representing a 25% economic interest. The remaining 75% economic interest in Bally's Chicago OpCo will be owned by Bally's Chicago HoldCo through its ownership of LLC Interests. The Company will continue to consolidate Bally's Chicago OpCo as the sole managing member in accordance with Accounting Standards Codification ("ASC") 810, *Consolidation*, and consequently, Bally's Chicago HoldCo's stake in Bally's Chicago OpCo will be represented as noncontrolling interest in Bally's Chicago, Inc's consolidated financial statements.

In connection with this offering, we intend to enter into a subordinated loan agreement with Bally's Chicago HoldCo pursuant to which Bally's Chicago HoldCo, as lender, will make subordinated loans to us, as borrower, in various tranches and in varying amounts based on the total number of Class A-1, A-2, and A-3 Interests sold in this offering. None of the new investors purchasing Class A Interests in this offering will be a party to the Subordinated Loans agreement. For each Class A-1, A-2, and A-3 Interest sold in this offering and the concurrent private placements, we will incur $24,750, $22,500 and $20,000 of subordinated loans, respectively.

In connection with the consummation of the Transactions, Bally's Corporation will contribute all outstanding Pre-IPO Intercompany Notes due from Bally's Chicago OpCo and the Company to Bally's Chicago HoldCo.

Bally's Chicago HoldCo will then contribute $54.9 million of Pre-IPO Intercompany Notes to the Company. Immediately after the closing of this offering and the concurrent private placements, the Company's Common Stock will convert into the Class B Interests and Subordinated Loans issued by the Company.

Bally's Chicago OpCo will then use the net proceeds of the offering to repay $195.1 million of the outstanding Pre-IPO Intercompany Notes. The remaining Pre-IPO Intercompany Notes in the amount of $381.0 million along with the Post-IPO Capital Commitment in the amount of $369.0 million are exchanged by Bally's Chicago HoldCo for 75% economic interest in Bally's Chicago OpCo.

The Subordinate Loan will be issued for $54.9 million at interest rate of 11.0% per annum, compounded quarterly, with no maturity date. Principal and interest payments on the Subordinated Loans will be paid by us by withholding discretionary distributions that would otherwise be made by us to the investors with the corresponding Class A Interests and applying such distributions to reduce amounts outstanding under the applicable Subordinated Loans. Further, Subordinated Loans may be repaid at the Company's option at a redemption price equal to the principal amount, plus accrued and unpaid interest thereon.

2. Offering and Transaction Accounting Adjustments

The adjustments included in the unaudited pro forma condensed consolidated balance sheet as of September 30, 2024 are as follows:

(a) This adjustment is to account for the contribution by Bally's Corporation of $631.0 million of the Pre-IPO Intercompany Notes to Bally's Chicago Holdco. Therefore, this adjustment reflects the reclassification of the Pre-IPO Intercompany Notes, originally due to Bally's Corporation and currently presented within the Promissory notes to related party (Bally's Corporation) to Due to related party (Bally's Chicago HoldCo) financial statement line item. The adjustment also represents Bally's Chicago HoldCo contribution of $54.9 million of Pre-IPO Intercompany Notes.

(b) Reflects our estimate of the net proceeds of $183.4 million to be raised from the offering and the concurrent private placements based on the stated value of $25,000 per Class A Interest, and an expected issuance of 500, 1,000, 1,000 and 7,500 shares of Class A-1, A-2, A-3, and A-4 Interests respectively, after deducting $11.7 million of estimated placement agent fees and offering and private placement expenses. This adjustment also relates to the application of $183.4 million of net cash proceeds from the offering and the concurrent private placements to pay down part of the outstanding Pre-IPO Intercompany Notes owed to Bally's Chicago HoldCo.

The total gross proceeds to be raised from the issuance of Class A-1, A-2, A-3, and A-4 Interests is expected to vary and will ultimately depend on the mix of the aggregate purchase by public stockholders and private placement investors of each Class A Interest as this factor will also drive the total amount of Subordinated Loans being issued and corresponding interest expense recognized in the Statement of Operations. The current assumption of the mix of Class A Interests reflected in the unaudited pro forma condensed consolidated financial information is based on currently available information and assumptions that the Company's management believes are reasonable.

The number of shares of each respective tranche of Class A Interests purchased by the public stockholders and private placement investors will have an impact on the number of shares of each Class A Interests outstanding, on the net cash proceeds raised, total assets, subordinated debt, total liabilities, and interest expense. The sensitivity analysis reflected in the following table is based on alternative assumptions as it relates to the aggregate purchase of each Class A Interest; (i) all public stockholders and private placement investors elect to purchase Class A-1 Interests, which would result in the highest amount of Subordinated Loans being issued and (ii) all public stockholders and private placement investors elect to purchase Class A-4 Interests which will result in no Subordinated Loan being issued.

($ in thousands)	Pro forma Balance Sheet as of September 30, 2024	All Class A-1 Interests[(1)]	All Class A-4 Interests[(2)]
Cash	$ 17,557	$ 17,557	$ 17,557
Total assets	$ 581,229	$ 581,229	$ 581,229
Subordinated debt	$ 54,875	$ 247,500	$ —
Total liabilities	$ 307,356	$ 490,623	$ 475,773
Total stockholders' deficit	$(476,127)	$(653,142)	$(420,492)

($ in thousands, except share and per share data)	Pro forma Statement of Operations for the Nine Months Ended September 30, 2024	All Class A-1 Interests[1]	All Class A-4 Interests[2]
Interest expense, net of amounts capitalized	$ (13,043)	$ (30,282)	$ (6,891)
Net (loss)	$(219,221)	$(236,460)	$(213,069)
Net (loss) attributable to non-controlling interest	$(164,416)	$(177,345)	$(159,802)
Net (loss) attributable to Bally's Chicago, Inc.	$ (54,805)	$ (59,115)	$ (53,267)
Class A-3 and Class A-4 Interests, basic and diluted loss per share	$ (7,118)	$ —	$ (5,327)
Class A-3 and Class A-4 Interests outstanding, basic and diluted	7,700	—	10,000

($ in thousands, except share and per share data)	Pro forma Statement of Operations for the Year Ended December 31, 2023	All Class A-1 Interests[1]	All Class A-4 Interests[2]
Interest expense, net of amounts capitalized	$(21,397)	$(42,188)	$(13,819)
Net (loss)	$(63,943)	$(84,734)	$(56,365)
Net (loss) attributable to non-controlling interest	$(47,957)	$(63,550)	$(42,274)
Net (loss) attributable to Bally's Chicago, Inc.	$(15,986)	$(21,183)	$(14,091)
Class A-3 and Class A-4 Interests, basic and diluted loss per share	$ (2,076)	—	$ (1,409)
Class A-3 and Class A-4 Interests outstanding, basic and diluted	7,700	—	10,000

(1) Assuming all public stockholders and private placement investors make an election to invest in Class A-1 Interests.

(2) Assuming all public stockholders and private placement investors make an election to invest in Class A-4 Interests.

(c) Reflects the adjustment to account for the repurchase of Common Stock of the Company from Bally's Chicago HoldCo in exchange for the issuance of $54.9 million of Subordinated Loans issued by the Company and attributable to each Class A Interest. This adjustment also relates to the issuance of a promissory note to Bally's Chicago HoldCo in the amount of $11.7 million which is equal to the transaction expenses incurred to effect the offering and the concurrent private placements. The associated interest will be recognized as an expense within the Statement of Operations as an adjustment. Promissory notes to related party (Bally's Chicago HoldCo) will bear interest at a rate equal to 11.0% per annum and will mature on .

(d) Reflects the adjustment to give effect to Bally's Chicago OpCo's issuance of 30,000 LLC Interests to Bally's Chicago HoldCo, at a price per LLC Interest equal to the stated value of $25,000 per Class A Interest, which amounts to 75% of the total LLC Interests, in exchange for (i) the settlement of the remaining $381.0 million of Pre-IPO Intercompany Notes, after the partial paydown of $195.1 million, and (ii) a capital commitment by Bally's Chicago HoldCo in the amount of $369.0 million, also referenced elsewhere in this prospectus as the Post-IPO Capital

Commitment which is recognized as Stockholders' note within total stockholders' deficit. Bally's Chicago HoldCo's ownership interest in Bally's Chicago OpCo is redeemable for cash or other assets upon a change in control of the Company, thus the non-controlling interest is considered redeemable and classified as temporary equity in our pro forma balance sheet.

(e) Reflects the adjustment to account for the reclassification, upon the closing of this offering and the concurrent private placements, of our outstanding common stock into 30,000 Class B Interests, representing 75% of the voting power but no economic interest in Bally's Chicago, Inc.

(f) Reflects deferred costs associated with this offering, including certain legal, accounting and other related costs, which have been recorded in Other assets in the historical consolidated balance sheet. Upon completion of this offering, these deferred costs will be charged against the proceeds from this offering with a corresponding reduction to additional paid-in capital.

The adjustments included in the unaudited pro forma condensed consolidated Statement of Operations as of September 30, 2024 and December 31, 2024 are as follows:

(g) Following the Organizational Transactions, Bally's Chicago, Inc. will become the sole managing member of Bally's Chicago OpCo, and upon consummation of this offering, will initially own approximately 25% of the economic interest in Bally's Chicago OpCo but will have 100% of the voting power and control the management of Bally's Chicago OpCo. The ownership percentage held by the noncontrolling interest will be approximately 75%. Net income attributable to the noncontrolling interest will represent approximately 75% of net income.

(h) The unaudited pro forma weighted average basic and diluted shares outstanding for the year ended December 31, 2023 and the nine months ended September 30, 2024 are calculated using Bally's Chicago, Inc.'s historical weighted average shares outstanding for the year ended December 31, 2023 and the nine months ended September 30, 2024, plus the issuance of additional shares in connection with the offering. As the offering is reflected as if it had occurred at the beginning of the earliest period presented, the calculation of weighted average shares outstanding assumes that the historical shares of Bally's Chicago, Inc. and the shares issued relating to the offering were outstanding since January 1, 2023. The table below presents the computation of pro forma basic and diluted earnings per share:

Dollar amount is presented in thousands except share and per share data.	Nine Months Ended September 30, 2024	Twelve Months Ended December 31, 2023
Net (loss) attributable to Bally's Chicago, Inc.	$(54,805)	$(15,986)
Weighted average Class A-3 and Class A-4 Interests outstanding, basic and diluted	7,700	7,700
Class A-3 and Class A-4 Interests, basic and diluted loss per share	$ (7,118)	$ (2,076)

As the unaudited pro forma condensed consolidated statement of operations is in a net loss position, any potentially dilutive instruments would be anti-dilutive and thus these instruments have been excluded from the computation. Each respective class of Class A-3 Interests and A-4 Interests represent different classes of common stock for purposes of earnings per share ("EPS") computation. The number of Class A-3 Interests included in the denominator of the pro forma basic and diluted loss per share computation are the share equivalent number of partially paid Class A-4 shares. Furthermore, while the Class A-1 Interests and Class A-2 Interests are legally outstanding, they are not outstanding for accounting and pro forma purposes as they are treated as equity classified warrants.

(i) In connection with the Subordinated Loans, Bally's Chicago Inc., is required to pay 11.0% interest per annum, compounded quarterly on each tranche of Class A-1, Class A-2, and A-3 Subordinated Loans. The adjustment reflects the compounded interest for the 12 months ending December 31, 2023 and 9 months ending September 30, 2024. This adjustment also reflects the interest expense resulting from 11.0% interest per annum on the Promissory notes to related party (Bally's Chicago HoldCo).

(j) Represents the tax effect of the pro forma adjustments. No expense or benefit has been recognized as the Company has established a full valuation allowance against the net deferred tax asset

position.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our financial statements and related notes included elsewhere in this prospectus. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those discussed below. Factors that could cause or contribute to such differences include, but are not limited to, those identified below and those discussed in the section entitled "Risk Factors" included elsewhere in this prospectus.

Overview

We are a gaming, hospitality and entertainment company with the singular focus of building and operating a world-class entertainment destination resort in Chicago, Illinois. We intend to provide both Chicago residents and business and leisure travelers visiting Chicago with physical and interactive entertainment and gaming experiences.

We intend to build a destination casino, hotel and entertainment venue that will showcase "The Best of Chicago" arts and culture, food and sports, and curated dining and entertainment experiences. Our permanent casino and resort in Chicago will be located on the 30-acre property which previously hosted the Chicago Tribune Publishing Center, at the intersection of Chicago Avenue and Halsted Street in downtown Chicago, and will look to transform this currently underutilized site into a major economic driver for the city. Our permanent casino and resort will be in close proximity to a wide range of hotels, theaters, bars, restaurants, major shopping districts and the McCormick Place Convention Center, the proximity to which will help drive traffic to our permanent casino and resort, primarily due to our differentiated gaming attractions in comparison to other offerings in this geographic location.

In developing the entertainment destination resort, we intend to adhere to Bally's community-first policy, which is a fundamental and defining element of who we are as a company. We believe that in every community in which Bally's operates, it has built strong, lasting partnerships with local residents and businesses. Chicago will be no different. With this project, we are committed to ensuring that our permanent casino and resort generates significant economic stimulus and creates a wealth of employment opportunities for the greater Chicago community.

On May 5, 2022, the City of Chicago selected us as the preferred bidder in Chicago's RFP process to construct and operate a world-class casino resort in downtown Chicago. We worked cooperatively with city officials and community leaders throughout the RFP process to develop a project that embraced Chicago as a global gateway city, incorporating its vibrant cultural scene and highly diversified economy. Chicago selected us on the basis that they believe our plan provides the most economic value to Chicago and its taxpayers, including an upfront payment of $40.0 million and annual payments to Chicago totaling $4.0 million. On June 9, 2022, we signed the Host Community Agreement with the City of Chicago formalizing our arrangement with Chicago to develop our casino and resort, and granting us the exclusive right upon receiving the appropriate approvals from the Illinois Gaming Board to operate a temporary casino for up to three years while our permanent casino and resort is constructed. Our temporary casino began operations on September 9, 2023.

The gaming taxes on our gaming revenue will be paid to the state of Illinois and the City of Chicago, with the City of Chicago taxes applied to pay a portion of the City's obligations toward its fire and police union pensions. Additionally, our permanent casino and resort is projected to create approximately 12,250 design, development and construction jobs and approximately 3,000 permanent jobs upon the opening of our permanent casino and resort.

Factors Affecting Our Results of Operations

Our operating results are not indicative of future operating results because we intend to dedicate the first several years of our corporate existence to the design, development and construction of our permanent casino and resort. Our temporary casino began operations on September 9, 2023 and did not generate any revenues prior to such date. Once our permanent casino and resort is operational, we expect our revenues

will

be primarily generated by gaming and entertainment offerings in connection with the operation of our casino and resort with remaining revenues from other non-gaming operations, which include hotel, food and beverage, retail, entertainment and other.

As our business develops, we expect our revenues derived from the provision of non-gaming operations at our permanent casino and resort to increase in proportion to our revenues from gaming sources and expect the expenses we incur to be primarily related to the operation of our permanent casino and resort, including the servicing of our substantial debt.

Our results of operations will be directly affected by certain factors specific to us, including the following:

Overall economic environment and growth in the gaming and tourism market in Chicago

The performance of the gaming and tourism industries in Chicago is impacted by a range of factors, including the overall U.S. economic climate, credit markets and consumer spending trends. Our future success will be largely dependent on the continued growth of Chicago as a tourist destination and hub for business travel, and by the overall popularity of the gaming market in Chicago.

According to Forbes and Business Insider, tourism to the City of Chicago reached approximately 55 million visitors prior to the COVID-19 pandemic and is expected to fully rebound by the end of 2024. Additionally, the local gaming market is highly fragmented, with approximately 17 gaming centers located within a 100-mile radius of our location. In order for our business model to be successful, we will need to capture a substantial portion of our total addressable market while simultaneously expanding the total addressable market by both increasing the amount of funds spent by residents of Cook County on gaming activities and by increasing the amount of funds spent by tourists that visit Chicago.

Income and spending levels of visitors from various neighboring states to Illinois and from national and international tourists are key factors in the development of a casino industry in Chicago. We believe that visitation and gaming revenue in Chicago will be largely driven by improved economic conditions throughout the Midwest, particularly as the United States recovers from the current downturn. Our operations can also be impacted by the ability of foreign citizens to access foreign currency and visa policies, particularly as we look to capitalize on the increased popularity of Chicago as an international tourist destination.

Our ability to successfully ramp-up our operations and develop a popular casino and resort

Our temporary casino began operations on September 9, 2023 and did not generate any revenues prior to such date. As such, we do not have any material financial results prior to September 9, 2023. We expect our operating costs, including staffing costs and marketing expenses, to continue to increase in line with our continued ramp-up.

As part of our business development initiatives, we intend to launch marketing campaigns and incentive programs to drive up visitation and increase awareness of our plans to build a new casino and resort. We believe these programs, along with the improving transportation infrastructure in Chicago, and introducing the city's first physical gaming facility and increasing food and beverage selections, entertainment options and retail offerings will enable us to attract Chicago residents and more visitors to Chicago and, in doing so, increase our exposure and revenue. However, notwithstanding our management's efforts to increase demand for our services and optimize the operations of our casino and resort, we have not yet commenced operations, and factors affecting our operations, including factors not currently known to us, may present challenges to further develop our businesses in a manner that is consistent with our current plans and expectations. If the ramp-up is not as successful as we expect, there may be a significant impact on our results of operations and financial condition.

Development of our permanent casino and resort remains in its early stages. We expect to have significant capital expenditures in the future as we create our existing operations and develop the proposed project. As we continue to develop our permanent casino and resort, we may need to incur additional

indebtedness, beyond our substantial existing indebtedness, which could affect our interest expenses and financing costs and result in an increase in depreciation and amortization expenses.

Our ability to capitalize on our relationship with Bally's in order to successfully construct and develop our permanent casino and resort

In the short term, our success will be largely dependent on our ability to continue to obtain benefits from our relationship with Bally's, upon which we will rely for all of our operations. For example, Bally's Chicago OpCo entered into arrangements with Bally's subsidiary, BMG, to conduct corporate shared support services related to our operations under the Permanent Services Agreement and the Temporary Services Agreement. See "*Business — Our Relationship with Bally's Corporation*."

In addition, there are various other related party transactions between Bally's and its subsidiaries and us, which we expect will comprise a significant part of our financial results for our first few years as an operating company as we construct and develop our permanent casino and resort. Under the Permanent Services Agreement and the Temporary Services Agreement, BMG agreed to provide us with general business support services, including services relating to external reporting obligations, internal audit, regulatory filings, design and construction, business development, human resources, tax, accounting, treasury and capital related, risk management, legal, finance and marketing. We believe that these shared services are beneficial to both us and Bally's in comparison to the cost and terms for similar services that we could negotiate on a stand-alone basis and, therefore, do not intend on obtaining competing services from other service providers at this time.

Our ability to excel in a highly competitive national and regional landscape

The market for gaming, hotel and other entertainment facilities in Chicago is rapidly evolving but remains in its infancy. While the Midwest is undergoing expansion since various states started to liberalize gaming (including sports betting), including with the potential arrival of several world-class integrated resorts opening in the Midwest with a significant increase in the number of hotel rooms and other non-gaming amenities which enhances the appeal of the Midwest as a tourism destination, Chicago is still not known as a location for gaming tourism and, therefore, we expect to face significant competition from more established regional and national gaming centers, including Las Vegas and Atlantic City.

Regionally, states such as Wisconsin, Missouri, Indiana, Ohio, Michigan and Iowa currently offer, or are considering expanding, gaming and non-gaming entertainment facilities, which has increased, and will continue to increase, the overall level of competition we face in the Midwest. We compete to some extent with these destinations because a portion of our revenue will be dependent on visitors from neighboring states to Illinois. Nationally, we face intense competition from international gaming centers such as Las Vegas and Atlantic City, which attract a high volume of international tourists by offering gaming and non-gaming activities.

Competition affects our ability to attract more patrons to our gaming and non-gaming facilities, and affects the price of our services, the level of our promotional activities, our operational and marketing costs and results of operations in general.

Our ability to manage our high level of indebtedness

Upon the closing of this offering, we will have a significant amount of indebtedness, including $ in Subordinated Loans. Our continued need to service our significant outstanding indebtedness will materially impact our finance costs and our cash flow. Moreover, since we are still in the early stages of operations of our temporary casino, we may need to access additional financing in order to continue to fund our capital expenditures in the further development of our permanent casino and resort, particularly to the extent our initial funding is insufficient to finalize our permanent casino and resort. In addition, our indebtedness will include covenants that restrict our ability to incur additional indebtedness. As such, our success will be highly dependent on our ability to manage our indebtedness while continuing to reinvest in our business in order to remain competitive in future periods.

State and local taxes, including gaming-related taxes

In Illinois, state and local governments raise considerable revenues from license fees and taxes based on gaming, entertainment, hotel, food and beverage, and retail operations. We are also required to pay such

taxes, including but not limited to property taxes, sales and use taxes, payroll taxes, franchise taxes, income taxes, hotel taxes, privilege taxes, gaming taxes, admissions taxes and amusement taxes, related to our operations. Our profitability generally should depend on generating enough revenues to cover variable expenses, including but not limited to payroll and marketing, as well as largely fixed expenses, including but not limited to rent, utilities and interest expense. From time to time, state and local governments generally have increased gaming-related taxes, and such increases could significantly impact the profitability of our operations.

We are generally subject to gaming-related taxes, including, but not limited to, Illinois admission and privilege taxes and Cook County gambling machine tax. We anticipate offsetting these taxes with potential offsets as permitted by law.

Our operations generally are subject to significant state and local gaming-related receipts-based taxes and fees, in addition to state and local taxes applicable to non-gaming operations, and such taxes and fees generally are subject to increase at any time. We generally anticipate being subject to gaming-related receipts-based taxes imposed by Illinois, with Illinois and Chicago rates generally currently varying between approximately 8.1% – 40%, depending on certain factors, including but not limited to the amount of receipts received and the type of game.

In addition, from time to time, federal, state and local legislators and officials have proposed changes in tax laws, or in the administration of such laws, affecting the gaming industry. Further, worsening economic conditions could intensify the efforts of applicable state and local governments to raise revenues through increases in gaming taxes and/or non-gaming taxes. It is not possible to determine with certainty the likelihood of changes in tax laws in these jurisdictions or in the administration of such laws. Such changes, if adopted, could adversely affect our business, financial condition and results of operations. Any material increase, or the adoption of additional taxes or fees, could adversely affect our future financial results.

Operating Structure

Our business is organized into two reportable segments: (i) Temporary Casino and (ii) Permanent Casino. The ‘‘Other adjustments” include certain unallocated corporate operating expenses and other adjustments to reconcile to the Company’s consolidated results including, among other expenses, compensation for certain executives and other transaction costs. Refer to Note 13 “Segment Reporting” of our audited condensed consolidated financial statements and Note 12 “Segment Reporting” of our unaudited condensed consolidated financial statements included elsewhere in this prospectus for additional information on our segment reporting structure.

Key Performance Indicators

Temporary Casino Adjusted EBITDAR for the three months ended September 30, 2024 decreased $0.3 million to $3.2 million and for the nine months ended September 30, 2024 increased $5.3 million to $8.9 million, each compared to the same prior year periods. The overall increase in Adjusted EBITDAR from prior year is primarily attributable to the incremental increase in opening of the temporary casino on September 9, 2023.

Permanent Casino Loss from operations for the three and nine months ended September 30, 2024 increased $152.6 million and $155.8 million, respectively, each compared to the same prior year periods. For both comparative periods, the increase in loss from operations was primarily attributable to the $150.0 million loss on sale-leaseback recorded in the third quarter of 2024.

The following table sets forth the measures of segment performance for the Company’s two reportable segments, reconciled to net loss on a consolidated basis. The Other adjustments category is included in the following table in order to reconcile the segment information to the Company’s unaudited condensed consolidated financial statements.

(in thousands)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Revenue				
Temporary Casino	$ 32,471	$ 7,180	$ 96,637	$ 7,180
Permanent Casino	—	—	—	—
Total revenue	$ 32,471	$ 7,180	$ 96,637	$ 7,180
Permanent Casino Loss from Operations	$(153,388)	$ (788)	$(156,591)	$ (788)
Temporary Casino Adjusted EBITDAR(1)	$ 3,191	$ 3,540	$ 8,877	$ 3,540
Temporary Casino Operating costs and expenses:				
Depreciation and amortization	(4,563)	(1,419)	(13,633)	(1,420)
Expansion costs(2)	—	(7,030)	(112)	(22,259)
Management fees to Bally's Corporation	(15,000)	(5,000)	(45,000)	(5,000)
Total Temporary Casino operating costs and expenses	(16,372)	(9,909)	(49,868)	(25,139)
Total other expense, net(3)	(1,479)	(2,085)	(5,425)	(7,537)
Other adjustments	(17)	(2,955)	(1,185)	(2,724)
Total Net loss	$(171,256)	$(15,737)	$(213,069)	$(36,188)

(1) Adjusted EBITDAR is defined as earnings, or loss, for the Temporary Casino before interest expense, net of interest income, provision (benefit) for income taxes, depreciation and amortization, non-operating (income) expense, expansion costs, management fees to Bally's Corporation, rent expense from triple net operating leases, and certain other gains or losses.

(2) The Company defines expansion expenses as costs incurred in connection with the opening of a new facility or significant expansion of an existing property. Costs classified as expansion consist primarily of marketing, master planning, conceptual design fees and legal and professional fees that are not eligible for capitalization and are included in "General and administrative" on the unaudited condensed consolidated statements of operations.

(3) All Total other expense, net for the three and nine months ended September 30, 2024 and 2023 was included within the Permanent Casino reportable segment, and includes primarily interest expense.

Temporary Casino Adjusted EBITDAR for the year ended December 31, 2023 increased $7.7 million compared to the period from May 24, 2022 (date of inception) to December 31, 2022. This increase was directly attributable to the commencement of operations at the temporary casino on September 9, 2023.

Permanent Casino Loss from operations for the year ended December 31, 2023 increased $2.2 million compared to the period from May 24, 2022 (date of inception) to December 31, 2022, primarily driven by the increase in costs associated with increased general and administrative costs attributable to the permanent casino project.

(in thousands)	Year Ended December 31, 2023	Period from May 24, 2022 (date of inception) to December 31, 2022
Revenue		
Temporary Casino	$ 32,177	$ —
Permanent Casino	—	—
Total revenue	$ 32,177	$ —
Permanent Casino Loss from Operations	$ (2,227)	$ —
Temporary Casino Adjusted EBITDAR[(1)]	$ 7,721	$ —
Temporary Casino Operating costs and expenses:		
Depreciation and amortization	(5,705)	—
Expansion costs[(2)]	(22,865)	(15,057)
Management fees to Bally's Corporation	(20,000)	(424)
Total Temporary Casino operating costs and expenses	(40,849)	(15,481)
Total other expense, net[(3)]	(10,148)	(1,617)
Other adjustments	(3,141)	—
Total Net loss	$(56,365)	$(17,098)

(1) Adjusted EBITDAR is defined as earnings, or loss, for the Temporary Casino before interest expense, net of interest income, provision (benefit) for income taxes, depreciation and amortization, non-operating (income) expense, expansion costs, management fees to Bally's Corporation, rent expense from triple net operating leases, and certain other gains or losses.

(2) The Company defines expansion expenses as costs incurred in connection with the opening of a new facility or significant expansion of an existing property. Costs classified as expansion consist primarily of marketing, master planning, conceptual design fees and legal and professional fees that are not eligible for capitalization and are included in "General and administrative" on the consolidated statements of operations.

(3) All Total other expense, net for the year ended December 31, 2023 and the period from May 24, 2022 (date of inception) to December 31, 2022 was included within the Permanent Casino reportable segment, and includes primarily interest expense.

Results of Operations

Our operating results are not indicative of future operating results because we intend to dedicate the first several years of our corporate existence to the design, development and construction of our permanent casino and resort in Chicago. Our temporary casino began operations on September 9, 2023 and did not generate any revenues prior to such date. Once our permanent casino and resort is operational, we expect our revenues will be primarily generated by gaming and entertainment offerings in connection with the operation of our casino and resort in Chicago with remaining revenues from other non-gaming operations, which include hotel, food and beverage, and retail, entertainment and other.

Three and Nine Months Ended September 30, 2024 Compared to Three and Nine Months Ended September 30, 2023

Our operating results for the three and nine months ended September 30, 2024 and 2023 are not indicative of future operating results because we intend to dedicate the first several years of our corporate existence to the design, development and construction of our casino and resort in Chicago. Our temporary casino began operations on September 9, 2023 and did not generate any revenues prior to such date. Once our permanent casino and resort is operational, we expect our revenues will be primarily generated by

gaming and entertainment offerings in connection with the operation of our casino and resort in Chicago, with

remaining revenues from other non-gaming operations, which include hotel, food and beverage, and retail, entertainment and other.

The following table presents, for the periods indicated, condensed consolidated statements of operations data:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	% Change	2024	2023	% Change
Revenue:						
Gaming	$ 29,235	$ 6,493	350%	$ 86,851	$ 6,493	1238%
Non-gaming	3,236	687	371%	9,786	687	1324%
Total revenue	32,471	7,180	352%	96,637	7,180	1246%
Operating costs and expenses:						
Gaming	15,078	3,022	399%	44,322	3,022	1367%
Non-gaming	2,132	312	583%	5,928	312	1800%
General and administrative	15,475	10,912	42%	45,398	25,418	79%
Management fees to Bally's Corporation	15,000	5,167	190%	45,000	5,659	695%
Loss on sale-leaseback	150,000	—	100%	150,000	—	100%
Depreciation and amortization	4,563	1,419	222%	13,633	1,420	860%
Total operating costs and expenses	202,248	20,832	871%	304,281	35,831	749%
Loss from operations	(169,777)	(13,652)	1144%	(207,644)	(28,651)	625%
Other income (expense):						
Interest income	71	718	(90)%	1,466	2,084	(30)%
Interest expense, net of amounts capitalized	(1,550)	(2,803)	(45)%	(6,891)	(10,514)	(34)%
Other non-operating income (expenses), net	—	—	—%	—	893	(100)%
Total other expense, net	(1,479)	(2,085)	(29)%	(5,425)	(7,537)	(28)%
Loss before provision for income taxes	(171,256)	(15,737)	988%	(213,069)	(36,188)	489%
Benefit for income taxes	—	—	—%	—	—	—%
Net loss	$(171,256)	$(15,737)	988%	$(213,069)	$(36,188)	489%

Segment Performance

The following table sets forth certain financial information associated with results of operations for the three and nine months ended September 30, 2024 and 2023:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	2024	2023	$ Change	2024	2023	$ Change
Revenue:						
Gaming revenue						
Temporary Casino	$29,235	$6,493	$22,742	$86,851	$6,493	$80,358
Non-gaming revenue						
Temporary Casino	3,236	687	2,549	9,786	687	9,099
Total revenue	$32,471	$7,180	$25,291	$96,637	$7,180	$89,457

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	2024	2023	$ Change	2024	2023	$ Change
Operating costs and expenses:						
Gaming expenses						
Temporary Casino	$15,078	$ 3,022	$12,056	$44,322	$ 3,022	$41,300
Non-gaming expenses						
Temporary Casino	2,132	312	1,820	5,928	312	5,616
Total gaming and non-gaming expenses	$17,210	$ 3,334	$13,876	$50,250	$ 3,334	$46,916
General and administrative						
Temporary Casino	12,070	7,336	4,734	37,622	22,565	15,057
Permanent Casino	3,388	788	2,600	6,591	788	5,803
Other	17	2,788	(2,771)	1,185	2,065	(880)
Total general and administrative	$15,475	$10,912	$ 4,563	$45,398	$25,418	$19,980

Revenue

Total revenue for the three and nine months ended September 30, 2024 was $32.5 million and $96.6 million, respectively. We began generating revenues on September 9, 2023 with the opening of our temporary casino. We generated revenues totaling $7.2 million for both the three and nine months ended September 30, 2023. Once our permanent casino and resort in Chicago is operational, we expect revenues will primarily be generated by gaming and entertainment offerings in connection with the operation of our casino and resort in Chicago with remaining revenues from other non-gaming operations which include hotel, food and beverage, and retail, entertainment and other.

Gaming and non-gaming expenses

Gaming and non-gaming expenses for the three and nine months ended September 30, 2024 were $17.2 million and $50.3 million, respectively, compared to $3.3 million for both the three and nine months ended September 30, 2023. The increase in gaming and non-gaming expenses is directly attributable to the opening of our temporary casino on September 9, 2023.

General and administrative

General and administrative expenses for the three and nine months ended September 30, 2024 were $15.5 million and $45.4 million, respectively, an increase of $4.6 million and $20.0 million, respectively, compared to the same periods in the prior year. General and administrative expenses for both years consisted primarily of professional fees, salaries, bonuses and benefits for employees, rent expense attributable to our temporary casino and other general and administrative expenses, all of which increased from the prior year due to the opening of our temporary casino on September 9, 2023.

We have dedicated significant resources to commencing operations, including but not limited to company formation and compliance with various legal and regulatory requirements. We believe that some of these costs are primarily associated with the start-up phase of the company and may decrease as our operations mature. However, we will incur additional professional services expenses as a result of becoming a public company and expanding the business. As a result, we anticipate overall increased professional services expenses in the future to support our operations.

Loss on Sale-Leaseback

During the three and nine months ended September 30, 2024, GLP Capital, L.P. (“GLP”) acquired the

real estate underlying the permanent casino and resort, for which the Company was subject to the financing obligation, assuming the existing lease, for which the Company was subject to a $200.0 million financing

obligation. Reclassifying the lease as an operating lease due to the transfer of control of the land asset from the Company to the lessor, permitted sale recognition, resulting in the Company derecognizing the $350.0 million land asset and the $200.0 million the long-term financing obligation, and recording a $150.0 million loss on sale-leaseback.

Depreciation

Depreciation expense for the three and nine months ended September 30, 2024 was $4.6 million and $13.6 million, respectively, compared to $1.4 million for both the three and nine months ended September 30, 2023. Depreciation expense began to be incurred when the assets purchased for our temporary casino were placed into service on the facility's opening date of September 9, 2023.

Management fees from Bally's Corporation

Management fees from Bally's Corporation during the three and nine months ended September 30, 2024 were $15.0 million and $45.0 million, respectively, compared to $5.2 million and $5.7 million for the three and nine months ended September 30, 2023, respectively. The increase in management fees is due to the addition of the corporate services agreement with Bally's Corporation put into place during the year, requiring a fixed monthly payment of $5.0 million, beginning in September 2023 with the commencement of operations at our temporary casino. The corporate services agreement provides us with certain administrative and corporate services from Bally's Management Group, LLC, a wholly owned subsidiary of Bally's Corporation. Additional management fees include expenses such as personnel and administrative costs allocated to us from our parent, based on an estimated percentage of time spent on our activities by corporate employees.

Other (income) expense

Total other expense during the three and nine months ended September 30, 2024 of $1.5 million and $5.4 million, respectively, consisted primarily of interest expense of $6.9 million related to the long-term financing obligation for the Company's ground lease, partially offset by $1.5 million of interest income.

Provision for income taxes

During the three and nine ended September 30, 2024 and 2023, there was no provision expense recorded in the consolidated statement of operations as the Company has established a full valuation allowance against the net deferred tax asset position.

Year Ended December 31, 2023 Compared to Period from May 24, 2022 (Date of Inception) to December 31, 2022

The following table sets forth our consolidated statements of operations data for the periods indicated:

	Year Ended December 31, 2023	Period from May 24, 2022 (date of inception) to December 31, 2022	Change	% Change
	($ in thousands)			
Revenue:				
Gaming	$ 28,734	$ —	$28,734	N/A
Non-gaming	3,443	—	3,443	N/A
Total revenue	32,177	—	32,177	N/A
Operating costs and expenses:				
Gaming	13,430	—	13,430	N/A
Non-gaming	2,138	—	2,138	N/A
General and administrative	36,441	15,057	21,384	142%
Management fees to Bally's Corporation	20,680	424	20,256	4,777%

	Year Ended December 31, 2023	Period from May 24, 2022 (date of inception) to December 31, 2022	Change	% Change
	($ in thousands)			
Depreciation and amortization	5,705	—	5,705	N/A
Total operating costs and expenses	78,394	15,481	62,913	406%
Loss from operations	(46,217)	(15,481)	(30,736)	199%
Other income (expense):				
Interest income	2,778	—	2,778	N/A
Interest expense, net of amounts capitalized	(13,819)	(2,031)	11,788	580%
Other non-operating income (expenses), net	893	414	479	116%
Total other expense, net	(10,148)	(1,617)	(8,531)	528%
Loss before provision for income taxes	(56,365)	(17,098)	(39,267)	230%
Benefit for income taxes	—	—	—	N/A
Net loss	$(56,365)	$(17,098)	$(39,267)	230%

Segment Performance

The following table sets forth certain financial information associated with results of operations for the year ended December 31, 2023 and the period from May 24, 2022 (date of inception) to December 31, 2022:

(in thousands)	Year Ended December 31, 2023	Period from May 24, 2022 (date of inception) to December 31, 2022	$ Change
Revenue:			
Gaming revenue			
Temporary Casino	$28,734	$ —	$28,734
Non-gaming revenue			
Temporary Casino	3,443	—	3,443
Total revenue	$32,177	$ —	$32,177
Operating costs and expenses:			
Gaming expenses			
Temporary Casino	$13,430	$ —	$13,430
Non-gaming expenses			
Temporary Casino	2,138	—	2,138
Total gaming and non-gaming expenses	$15,568	$ —	$15,568
General and administrative			
Temporary Casino	$31,753	$15,057	$16,696
Permanent Casino	2,227	—	2,227
Other	2,461	—	2,461
Total general and administrative	$36,441	$15,057	$21,384

Revenue

We began generating revenues on September 9, 2023 with the opening of our temporary casino. We generated revenues totaling $32.2 million for the year ended December 31, 2023. Once our permanent

casino and resort is operational, we expect revenues will primarily be generated by gaming and entertainment offerings in connection with the operation of our permanent casino and resort with remaining revenues from other non-gaming operations which include hotel, food and beverage, and retail, entertainment and other.

Gaming and non-gaming expenses

Gaming and non-gaming expenses for the year ended December 31, 2023 were $13.4 million and $2.1 million, respectively, were directly attributable to the opening of our temporary casino on September 9, 2023. There were no gaming and non-gaming expenses for the period from May 24, 2022 (date of inception) to December 31, 2022.

General and administrative

General and administrative expenses for the year ended December 31, 2023 and period from May 24, 2022 (date of inception) to December 31, 2022 were $36.4 million and $15.1 million, respectively, an increase of $21.4 million, and consisted primarily of professional fees, salaries, bonuses and benefits for employees, rent expense attributable to our temporary casino and other general and administrative expenses.

The most significant costs incurred by us during the year ended December 31, 2023 and period from May 24, 2022 (date of inception) to December 31, 2022 were cumulative professional services fees of $18.1 million, which reflect legal and audit fees, marketing and public relations costs in connection with the initial public offering of our Class A Interests as well as expenses associated with commencement of operations. We have dedicated significant resources to commencing operations, including but not limited to company formation and compliance with various legal and regulatory requirements. We believe that some of these costs are primarily associated with the start-up phase of the company and may decrease as our operations mature. However, we will incur additional professional services expenses as a result of becoming a public company and expanding the business. As a result, we anticipate overall increased professional services expenses in the future to support our operations.

Depreciation

Depreciation expense for the year ended December 31, 2023 was $5.7 million. Depreciation expense began to be incurred when the assets purchased for our temporary casino were placed into service on the facility's opening date of September 9, 2023.

Management fees to Bally's Corporation

Management fees to Bally's were $20.7 million for the year ended December 31, 2023, compared to $0.4 million for the period from May 24, 2022 (date of inception) to December 31, 2022. The increase in management fees is due to the addition of the corporate services agreement with Bally's put into place during the year, requiring a fixed monthly payment of $5.0 million, beginning in September 2023 with the commencement of operations at our temporary casino. The corporate services agreement provides us with certain administrative and corporate services from Bally's Management Group, LLC, a wholly owned subsidiary of Bally's. Additional management fees include expenses such as personnel and administrative costs allocated to us from our parent, based on an estimated percentage of time spent on our activities by corporate employees.

Other (income) expense

Total other expense for the year ended December 31, 2023 was $10.1 million, compared to $1.6 million for the period from May 24, 2022 (date of inception) to December 31, 2022. Total other expense consists primarily of interest expense related to the long-term financing obligation for our ground lease, partially offset by interest income earned on our restricted cash balances held during the year.

Provision for income taxes

For the year ended December 31, 2023 and the period from May 24, 2022 (date of inception) to December 31, 2022, there was no provision expense recorded in the consolidated statement of operations as we have established a full valuation allowance against the net deferred tax asset position.

Liquidity and Capital Resources

Overview

To date, we have relied mostly on Bally's Corporation for liquidity and capital resources. The consolidated financial statements include fees paid in accordance with the Temporary Services Agreement, as described below, providing us with certain administrative and corporate services, beginning in September 2023 with the commencement of operations at our temporary casino of $20.0 million and $45.0 million for the year ended December 31, 2023 and the nine months ended September 30, 2024, respectively. Additionally, the consolidated financial statements include allocations of certain general, administrative, sales and marketing expenses from our parent, which management believes is commensurate with services provided at fair value.

As of December 31, 2022, additional paid in capital from our parent was $63.5 million, primarily attributable to the $51.0 million gaming license and other miscellaneous funding. During the year ended December 31, 2023, we returned $62.5 million of capital to Bally's Corporation through the issuance of Pre-IPO Intercompany Notes. Additionally, expenses paid by Bally's Corporation on the Company's behalf totaling $568.5 million have been converted into the Pre-IPO Intercompany Notes, all of which are payable on December 31, 2025.

In January 2025, we obtained a letter of support from Bally's Corporation, pursuant to which Bally's Corporation commits to fund all of our operating, investing, and financing activities through at least December 31, 2026 and further commits not to make any decision or action that would reasonably be expected to negatively affect our ability to continue as a going concern through at least December 31, 2026.

In the event that less than $250 million in aggregate amount of gross proceeds from Class A Interests and corresponding Subordinated Loans are received in this offering and the concurrent private placement transactions, Bally's Corporation intends to cause Bally's Chicago HoldCo to provide additional funding to us in an amount equal to such shortfall. The funding may be provided through the purchase by Bally's Chicago HoldCo of Class A Interests in this offering or the concurrent private placements or through the issuance by us of additional debt, equity, equity-linked securities or intercompany notes to Bally's Corporation, Bally's Chicago HoldCo or their affiliates, or other methods.

Additionally, as a result of any such shortfall in funding, we may need to raise additional capital in the future to fund our operations and pursue our business objectives. We may seek to raise additional funds through various sources, including equity offerings, debt financings, collaborations, strategic alliances and/or licensing arrangements. We cannot assure you that we will be able to obtain additional funds on acceptable terms, or at all. If we raise additional funds by issuing equity or equity-linked securities, our stockholders may experience dilution. Debt financing, if available, may involve restrictive covenants. If we raise funds through collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our intellectual property and/or future revenue streams, or grant licenses on terms that may not be favorable to us. Furthermore, if Bally's Chicago HoldCo purchases Class A Interests in this offering or the concurrent private placements, we may pursue a secondary public offering of such Class A Interests in the future.

Following the closing of this offering, we expect to begin reimbursing our parent for certain additional costs directly associated with operating our business. These costs include personnel and related costs for employees wholly dedicated to the Company, legal and other professional services directly related to the Company's operations as well as any travel expenses incurred by wholly dedicated employees. Prior to the consummation of our public offering, our parent has funded, and intends to continue to fund, our operations through direct cash contributions and non-cash contributions.

Our capital expenditures are primarily related to the leases for our temporary casino and permanent casino and resort sites, as well as our design and development agreements for our permanent casino and resort and our guaranteed maximum price agreement to develop our temporary casino. In addition, we expect that our operations will continue to consume substantial amounts of cash as we aggressively build our permanent casino and resort and our internal marketing, compliance and other administrative functions. Following the consummation of our initial public offering we will continue to operate under the services

agreement with BMG, a subsidiary of our parent, pursuant to which BMG agreed to provide us and certain subsidiaries of Bally's Corporation with general business support services, including services relating to external reporting obligations, internal audit, regulatory filings, design and construction, business development, human resources, tax, accounting, treasury and capital related, risk management, legal, finance and marketing. We agreed to pay BMG an annual fee equal to the salaries, burden, overhead and other operating costs for providing such services based on our share of those costs calculated by reference to an appropriate common-size metric plus 6%, which fee may be reviewed and adjusted by the parties from time to time to reflect current market rates for such services and as required by the Code.

We will begin to assume management and administrative tasks at such time in the future as the actual cost of these services is less than our service fee to BMG, which we do not anticipate will occur until we begin to generate significant cash flows from our operations. However, if BMG is unable to perform any of the services that they are required to perform under the services agreement, due to financial difficulty or otherwise, then we may be forced to assume management and administrative tasks, and incur additional expenses, sooner than we anticipate. Until such time, we will continue to rely on BMG to conduct our operations in accordance with the services agreement. We are dependent on the continued support of our parent and have obtained a letter of support whereby our parent has committed to fund all of our operating, investing, and financing activities through at least December 31, 2026.

We estimate that the net proceeds we will receive from the sale of Class A Interests in this offering will be approximately $195.1 million and, together with the net proceeds from the concurrent private placements, the Subordinated Loans and the IPO Expenses Note, will total $250.0 million, in each case assuming the sale of Class A Interests at the offering prices set forth on the cover of this prospectus, after deducting placement agent fees and offering and private placement expenses payable by us. See "*Plan of Distribution*" for additional detail regarding the placement agent fees.

We intend to use all of the net proceeds from this offering, together with the proceeds from the concurrent private placements, the Subordinated Loans and the IPO Expenses Note, to purchase 10,000 LLC Interest directly from Bally's Chicago OpCo at a price per unit equal to the stated value of $25,000 per Class A Interest, which is equal to the amount paid by investors in this offering plus the corresponding amount of Subordinated Loans attributable to each Class A Interest.

Bally's Chicago OpCo intends to use the proceeds it receives from the sale of LLC Interests to Bally's Chicago, Inc. to repay $250.0 million outstanding aggregate amount under the Pre-IPO Intercompany Notes.

On July 11, 2024, Bally's entered into the GLP Term Sheet with GLP for a strategic construction and financing arrangement, including up to $940.0 million of funding for the construction of our permanent casino and resort. In connection therewith, GLP acquired the fee interest in the property on which we plan to develop our permanent casino and resort from the Oak Street Landlord and succeeded to the Oak Street Landlord's interest as landlord under the Oak Street Lease Agreement. We intend to enter into (x) the GLP Lease Agreement to lease such property and (y) the GLP Development Agreement pursuant to which GLP will commit to advance up to $940 million of GLP Development Advances for the payment of hard costs used to construct our permanent casino and resort in exchange for increasing the amount of rent that we pay to GLP under the GLP Lease Agreement. Upon entering into the GLP Lease Agreement and the GLP Development Agreement, the Oak Street Lease Agreement will be terminated. The GLP Lease Agreement will have a 15-year term followed by multiple renewal terms to be agreed between us and GLP, and rent payable under the GLP Lease Agreement will be (a) $20.0 million annually, subject to annual escalations to be set forth therein, plus (b) an annual amount equal to 8.5% of the GLP Development Advances that GLP advances to us.

GLP's obligation to make GLP Development Advances under the GLP Development Agreement will be subject to certain conditions, including the following: (a) we shall have unrestricted access to funds in an amount sufficient at the time of each GLP Development Advance to fund the construction of our permanent casino and resort and (b) all of the definitive documents required by the GLP Term Sheet shall have been signed, or, if such definitive documents cannot be signed without regulatory approval required under applicable law and such regulatory approval is the sole condition precedent to the signing of such definitive documents, such definitive documents are in final form and have been submitted for regulatory approval.

We will be obligated to construct our permanent casino and resort in compliance with terms and conditions to be set forth in the GLP Development Agreement, which are expected to be customary and reasonable for large scale multi-phase developments and are expected to include the satisfaction of to-be-specified development and construction milestones.

The terms and conditions of the GLP Lease Agreement and the GLP Development Agreement are subject to ongoing negotiations between us and GLP, and no guarantees can be given that we will enter into the GLP Lease Agreement or the GLP Development Agreement on the terms described herein or at all. We expect to consummate the GLP Lease Agreement and terminate the Oak Street Lease Agreement in the first quarter of 2025.

We believe the net proceeds from this offering, together with the net proceeds from the concurrent private placements, the Subordinated Loans, the IPO Expenses Note, the Post-IPO Capital Commitment and existing cash and cash equivalents and interest thereon, will be sufficient to fund our projected operating expenses until the opening of our permanent casino and resort. However if and until we begin generating a sufficient amount of cash from our operations, if our operating and other expenses are higher than we expect, or if or our ability to generate positive cash flow from our casino and resort is lower than we expect, then we may also need to raise additional funds, including from public or private equity or debt offerings or additional debt and/or equity or equity-linked security issuances made to Bally's and/or its affiliates. Additional capital may not be available on reasonable terms, if at all. If we are unable to raise additional capital in sufficient amounts or on terms acceptable to us we may not be able to continue to operate and we may have to significantly delay, scale back or discontinue our operations. If we raise additional funds through the issuance of additional debt or equity securities it could result in dilution to our existing stockholders, and/or fixed payment obligations that could reduce our ability to pay dividends or otherwise fund our other operations. Furthermore, these securities may have rights senior to those of our stock and could contain covenants that would restrict our operations and potentially impair our competitiveness, such as limitations on our ability to incur additional debt, limitations on our ability to operate our casino and resort without consent and other operating restrictions that could adversely impact our ability to conduct our business.

Cash Flows Summary

	Nine Months Ended September 30,	
(in thousands)	**2024**	**2023**
Net cash used in operating activities	$ (47,218)	$ (34,162)
Net cash used in investing activities	(110,253)	(163,664)
Net cash provided by financing activities	103,723	265,974
Net change in cash and restricted cash	(53,748)	68,148
Cash and restricted cash, beginning of period	71,305	1,092
Cash and restricted cash, end of period	$ 17,557	$ 69,240

Operating Activities

Net cash used in operating activities for the nine months ended September 30, 2024 was $47.2 million, compared to $34.2 million for the nine months ended September 30, 2023. The increase in cash used in operating activities was primarily driven by the increases in depreciation and changes in working capital associated with the opening of the temporary casino in September 2023.

Investing Activities

Net cash used in investing activities for the nine months ended September 30, 2024 was $110.3 million, compared to $163.7 million for the nine months ended September 30, 2023. The decrease in cash used in investing activities was mainly attributable to the decrease in capital expenditures compared to 2023, which included $100.0 million of payments made towards gaining possession of the land underlying the future

permanent casino and resort.

Financing Activities

Net cash provided by financing activities for the nine months ended September 30, 2024 was $103.7 million, compared to $266.0 million for the nine months ended September 30, 2023. The decrease in cash provided by financing activities was primarily attributable to the decrease in financing provided by Bally's Corporation in the current year.

Contractual Obligations and Commitments

Our principal contractual obligations are limited to our obligations under our services agreement with BMG and the Host Community Agreement. Additionally, under the Illinois Gambling Act, we will be responsible to pay various gaming license fees to the Illinois Gaming Board in connection with our casino operations. We are not committed to any future capital expenditures, including rental commitments, which are solely in the name of Bally's Corporation. See "— *Results of Operations*" for additional information on the allocation of rent expenses from our parent to us from inception to date.

Permanent Services Agreement

In January 2023, Bally's Chicago OpCo and certain subsidiaries of Bally's Corporation entered into the Permanent Services Agreement with BMG, a subsidiary of Bally's Corporation. Pursuant to the Permanent Services Agreement, BMG agreed to provide us and certain subsidiaries of Bally's Corporation with general business support services, including services relating to external reporting obligations, internal audit, regulatory filings, design and construction, business development, human resources, tax, accounting, treasury and capital related, risk management, legal, finance and marketing upon the opening of our permanent casino and resort. Pursuant to the Permanent Services Agreement, we agreed to pay BMG an annual fee equal to the salaries, burden, overhead and other operating costs for providing such services based on our share of those costs calculated by reference to an appropriate common-size metric plus 6%, which fee may be reviewed and adjusted by the parties from time to time to reflect current market rates for such services and as required by the Code. The initial term of the agreement is one year, beginning upon the opening of our permanent casino and resort, and will be automatically renewed for successive one-year terms, unless either party serves on the other a written notice of termination. See "*Transactions with Related Persons — Permanent Services Agreement*."

Temporary Services Agreement

In August 2023, Bally's Chicago OpCo entered into the Temporary Services Agreement with BMG, a subsidiary of Bally's Corporation. Pursuant to the Temporary Services Agreement, BMG agreed to provide us with general business support services, including services relating to external reporting obligations, internal audit, regulatory filings, design and construction, business development, human resources, tax, accounting, treasury and capital related, risk management, legal, finance and marketing related to our temporary casino. Pursuant to the Temporary Services Agreement, we agreed to pay BMG a monthly fee equal to $5.0 million, which fee may be reviewed and adjusted by the parties from time to time to reflect current market rates for such services and as required by the Code. The initial term of the agreement is two years, beginning August 30, 2023, and will be automatically renewed for successive one-year terms for as long as our temporary casino is licensed to continue operations, unless BMG serves on Bally's Chicago OpCo a written notice of termination. The Temporary Services Agreement shall automatically terminate when our temporary casino permanently closes and our permanent casino and resort opens to the public. See "*Transactions with Related Persons — Temporary Services Agreement*."

Host Community Agreement

In connection with the entry into the Host Community Agreement with the City of Chicago, we were required to make a one-time payment to the City of Chicago equal to $40.0 million, and are required to make ongoing payments of $4.0 million per year beginning on September 9, 2023, the date that our temporary casino opened to the general public. Additionally, in connection with the Host Community Agreement, Bally's Corporation was required to provide the City of Chicago with a guaranty whereby the Company is required to have and maintain available financial resources in an amount reasonably sufficient to fund all amounts necessary to allow us to meet our obligations under the Host Community Agreement

and, to the

extent we fail to perform any obligations thereunder, assume full responsibility for and perform our obligations in accordance with the terms, covenants and conditions set forth in the Host Community Agreement. The guaranty also required that we indemnify and hold the City of Chicago harmless from and against any and all loss, cost, damage, injury, liability, claim or reasonable and documented expense the City of Chicago may suffer or incur by reason of any nonpayment or nonperformance of any of our obligations.

Further, the Host Community Agreement establishes a minimum capital investment of $1.34 billion on the design, construction and equipping of our temporary casino and our permanent casino and resort. As of September 30, 2024, approximately $1.10 billion of this commitment remains. The actual cost of the development may exceed this minimum capital investment amount. In addition, land acquisition costs and financing costs, among other types of costs, are not counted toward meeting this minimum capital investment amount.

Our temporary casino, situated in the former location of the Medinah Temple at 600 N. Wabash Ave, opened on September 9, 2023, and includes approximately 800 gaming positions and six food and beverage venues. As of September 30, 2024, we have incurred approximately $70.0 million in costs in connection with the design and development of our temporary casino. We currently estimate incurring approximately $190.2 million in costs in 2024 related to the construction and development of our permanent casino and resort, which is expected to be open to the public in September 2026. However, there can be no assurances that the Company will be successful in so doing. Any increased construction costs could materially and adversely affect the return on the Company's investments.

Lease Modification Agreement

In connection with the Lease Modification Agreement with Chicago Tribune Company, LLC ("Tribune"), Tribune was contractually required to surrender and vacate the proposed site of our permanent casino and resort no later than July 5, 2024, subject to the $150 million Lease Modification Payment by us to Tribune. The Lease Modification Payment was paid in three installments, $10 million which was paid on April 3, 2023, $90 million which was paid on July 5, 2023 and $50 million which was paid on July 9, 2024, subsequent to Tribune vacating the site.

We are in the process of demolishing the current building located in the proposed site of our permanent casino and resort in order to build our permanent casino and resort. Accordingly, prior rental revenues and operating costs of the proposed site of our permanent casino and resort as it currently exists are in no way representative nor indicative of the anticipated sales revenues and operating costs of our permanent casino and resort, and thus disclosure of such financial measures would be misleading. In reliance on paragraph 2330.9 of the Financial Reporting Manual of the Division of Corporation Finance of the Securities and Exchange Commission and Rule 11-01(c) of Regulation S-X, we have determined that the reporting of historical financial statements and pro forma financial information for the proposed site of our permanent casino and resort under Rule 3-14 of Regulation S-X is not required.

GLP Lease Agreement and GLP Development Agreement

On July 11, 2024, Bally's entered into the GLP Term Sheet with GLP for a strategic construction and financing arrangement, including up to $940.0 million of funding for the construction of our permanent casino and resort. In connection therewith, GLP acquired the fee interest in the property on which we plan to develop our permanent casino and resort and from the Oak Street Landlord succeeded to the Oak Street Landlord's interest as landlord under the Oak Street Lease Agreement. We intend to enter into (x) the GLP Lease Agreement to lease such property and (y) the GLP Development Agreement pursuant to which GLP will commit to advance up to $940 million of GLP Development Advances for the payment of hard costs used to construct our permanent casino and resort in exchange for increasing the amount of rent that we pay to GLP under the GLP Lease Agreement. Upon entering into the GLP Lease Agreement and the GLP Development Agreement, the Oak Street Lease Agreement will be terminated. The GLP Lease Agreement will have a 15-year term followed by multiple renewal terms to be agreed between us and GLP, and rent payable under the GLP Lease Agreement will be (a) $20.0 million annually, subject to annual escalations to be set forth therein, plus (b) an annual amount equal to 8.5% of the GLP Development Advances that GLP advances to us. In addition, Bally's agreed in the GLP Term Sheet to enter into the New

Bally's Master Lease Agreement with GLP with respect to the real properties underlying Bally's Kansas City, Bally's Shreveport, and Twin River Lincoln.

The terms and conditions of the GLP Lease Agreement are expected to be substantially the same as the Existing Bally's Master Lease Agreement, dated June 3, 2021, by and between Bally's Management Group, LLC, an affiliate of Bally's, and GLP, except as modified by the terms set forth in the GLP Term Sheet. GLP will have the right to terminate the GLP Lease Agreement upon any event of default under the GLP Lease Agreement. Such events of default are expected to include, without limitation, a failure to pay amounts due after applicable notice and cure periods, certain bankruptcy or insolvency events, a cross-default with the GLP Development Agreement and the failure to comply with a variety of covenants after applicable notice and cure periods, including those related to the development of our permanent casino and resort, repair and maintenance, alterations and insurance. In addition, the GLP Lease Agreement will be amended to add a cross-default to the Bally's Master Lease Agreements upon any refinancing, extension or majority amendment of Bally's existing credit facilities.

There will also be certain restrictions on our ability to assign our interest in the GLP Lease Agreement without having to obtain GLP's prior consent, including requirements for the transferee (or its parent company) to satisfy certain financial metrics and have a certain level of experience in operating or managing casinos.

GLP's obligation to make GLP Development Advances under the GLP Development Agreement will be subject to certain conditions, including the following: (a) we shall have unrestricted access to funds in an amount sufficient at the time of each GLP Development Advance to fund the construction of our permanent casino and resort and (b) all of the definitive documents required by the GLP Term Sheet shall have been signed, or, if such definitive documents cannot be signed without regulatory approval required under applicable law and such regulatory approval is the sole condition precedent to the signing of such definitive documents, such definitive documents are in final form and have been submitted for regulatory approval. We will be obligated to construct our permanent casino and resort in compliance with terms and conditions to be set forth in the GLP Development Agreement, which are expected to be customary and reasonable for large scale multi-phase developments and are expected to include the satisfaction of to-be-specified development and construction milestones.

The GLP Development Agreement will contain customary representations and covenants by us and will contain funding conditions in each case which are customary and reasonable for large scale multi-phase developments, including, without limitation, (a) GLP's reasonable approval of plans and specifications, the project budget (including amendments thereto and reallocations therein except those to be permitted under the GLP Development Agreement), the project schedule, the underlying construction and architect contracts, and all change orders (subject to exceptions to be set forth in the GLP Development Agreement), (b) GLP's receipt of appropriate lien waivers, (c) budget balancing requirements, (d) retainage requirements, (e) the identification of a GLP representative as "owners representative" under the construction contract, and (f) other customary conditions, all to be set forth in the GLP Development Agreement. The GLP Development Agreement will also contain defaults and remedies which are customary and reasonable for large scale multi-phase developments, including, without limitation, a cross-default with the GLP Lease Agreement. We will not be permitted to assign, finance, transfer, pledge or encumber our interest in the GLP Development Agreement without GLP's prior written consent, whether or not any such assignment, financing, transfer, pledge or encumbrance is permitted with respect to the GLP Lease Agreement, other than to a permitted leasehold mortgagee under the GLP Lease Agreement.

The terms and conditions of the GLP Lease Agreement and the GLP Development Agreement are subject to ongoing negotiations between us and GLP, and no guarantees can be given that we will enter into the GLP Lease Agreement or the GLP Development Agreement on the terms described herein or at all. We expect to consummate the GLP Lease Agreement and terminate the Oak Street Lease Agreement in the first quarter of 2025.

Casino Fees

Under the Illinois Gambling Act, the Company will be responsible to pay a reconciliation fee payment three years after the date operations commenced (in a temporary or permanent facility) in an amount equal

to 75% of the adjusted gross receipt ("AGR") for the most lucrative 12-month period of operations, minus the amount equal to the initial payment per gaming position paid.

Off-Balance Sheet Arrangements

We did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined in the rules and regulations of the SEC.

Critical Accounting Estimates

The preparation of our consolidated financial statements in accordance with US GAAP requires us to make estimates and apply judgments that affect reported amounts. These estimates and judgements are based on past events and/or expectations of future outcomes. Actual results may differ from our estimates. We discuss our significant accounting policies used in preparing the financial statements in Note 2 of our consolidated financial statements. The following is a summary of our critical accounting estimates and how they are applied in the preparation of our consolidated financial statements.

Intangible Assets

Assessing indefinite-lived assets for impairment is a process that involves significant judgment and requires a qualitative and quantitative analysis with many assumptions which fluctuate based on our business. The evaluation of indefinite-lived intangible assets requires the use of estimates about future operating results to determine the estimated fair value of the indefinite-lived assets.

We consider our gaming license an indefinite-lived intangible asset that does not require amortization based on our future expectations to operate our property indefinitely. This intangible asset is tested annually for impairment, or more frequently if indicators of impairment exist, by comparing the fair value of the recorded asset to its carrying amount. If the carrying amount of the indefinite-lived intangible asset exceeds its fair value, an impairment loss is recognized.

Income Taxes

We prepare our income tax provision in accordance with Accounting Standards Codification ("ASC") 740, *Income Taxes.* Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the consolidated financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that the rate change is enacted. A valuation allowance is required when it is "more likely than not" that all or a portion of the deferred taxes will not be realized. We assessed our deferred tax liabilities arising from taxable temporary differences and concluded such liabilities are not a sufficient source of income for the realization of deferred tax assets, including indefinite life taxable temporary differences which offset, subject to limitation, deferred tax assets with unlimited carryovers. Accordingly, a $21.8 million and $5.0 million valuation allowance has been established as of December 31, 2023 and 2022, respectively. The change in valuation allowance for the year ended December 31, 2023 was $16.8 million.

Qualitative and Quantitative Disclosures about Market Risk

We did not have during the periods presented, and we do not currently have, any market risk sensitive instruments, as defined in the rules and regulations of the SEC.

JOBS Act and Smaller Reporting Company Status

The Jumpstart Our Business Startups Act of 2012, or JOBS, permits an "emerging growth company" such as us to take advantage of an extended transition to comply with new or revised accounting standards applicable to public companies until those standards would otherwise apply to private companies. We have irrevocably elected not to use this extended transition period. As a result, our consolidated financial

---

statements are comparable to the financial statements of companies that comply with new or revised accounting pronouncements as of public company effective dates.

We intend to rely on other exemptions provided by the JOBS Act, including without limitation, not being required to comply with the auditor attestation requirements of Section 404(b) of Sarbanes-Oxley.

We will remain an emerging growth company until the earliest of (i) the last day of the fiscal year following the fifth anniversary of the consummation of this offering, (ii) the last day of the fiscal year in which we have total annual gross revenue of at least $1.235 billion, (iii) the last day of the fiscal year in which we are deemed to be a “large accelerated filer” as defined in Rule 12b-2 under the Exchange Act, which would occur if, among other factors, the market value of our stock held by non-affiliates exceeded $700.0 million as of the last business day of the second fiscal quarter of such year (subject to certain conditions), or (iv) the date on which we have issued more than $1.0 billion in non-convertible debt securities during the prior three-year period.

We are also a smaller reporting company as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company. We may take advantage of certain of the scaled disclosures available to smaller reporting companies and will be able to take advantage of these scaled disclosures for so long as our voting and non-voting shares of stock held by non-affiliates is less than $250.0 million measured on the last business day of our second fiscal quarter, or our annual revenue is less than $100.0 million during the most recently completed fiscal year and our voting and non-voting shares of stock held by non-affiliates is less than $700.0 million measured on the last business day of our second fiscal quarter.

TABLE OF CONTENTS

BUSINESS

Our Mission

Our mission is to design, build and operate a world-class entertainment destination resort, befitting Chicago's status as a world-class city.

Our Company

We are a gaming, hospitality and entertainment company with the singular focus of building and operating a world-class entertainment destination resort in Chicago, Illinois. We intend to provide both Chicago residents and business and leisure travelers visiting Chicago with physical and interactive entertainment and gaming experiences.

We intend to build a destination casino, hotel and entertainment venue that will showcase "The Best of Chicago" arts and culture, food and sports, and curated dining and entertainment experiences. Our permanent casino and resort in Chicago will be located on the 30-acre property which previously hosted the Chicago Tribune Publishing Center, at the intersection of Chicago Avenue and Halsted Street in downtown Chicago, and will look to transform this currently underutilized site into a major economic driver for the city. Our permanent casino and resort will be in close proximity to a wide range of hotels, theaters, bars, restaurants, major shopping districts and the McCormick Place Convention Center, the proximity to which will help drive traffic to our permanent casino and resort, primarily due to our differentiated gaming attractions in comparison to other offerings in this geographic location.

In developing the entertainment destination resort, we intend to adhere to Bally's community-first policy, which is a fundamental and defining element of who we are as a company. We believe that in every community in which Bally's operates, it has built strong, lasting partnerships with local residents and businesses. Chicago will be no different. With this project, we are committed to ensuring that our permanent casino and resort generates significant economic stimulus and creates a wealth of employment opportunities for the greater Chicago community.

Among other features and amenities, once finalized, our permanent casino and resort is being designed to include approximately:

- 3,400 slot machines;
- 173 table games;
- 10 F&B venues;
- a hotel tower with 500 rooms and a rooftop bar;
- a 3,000-person mixed use entertainment and event center;
- 3,300 parking spaces; and
- outdoor green space, including an expansive public riverwalk with a water taxi stop.

On May 5, 2022, the City of Chicago selected us as the preferred bidder in Chicago's RFP process to construct and operate a world-class casino resort in downtown Chicago. We worked cooperatively with city officials and community leaders throughout the RFP process to develop a project that embraced Chicago as a global gateway city, incorporating its vibrant cultural scene and highly diversified economy. Chicago selected us on the basis that they believe our plan provides the most economic value to Chicago and its taxpayers, including an upfront payment of $40.0 million and annual payments to the City totaling $4.0 million.

The gaming taxes on our gaming revenue will be paid to the state of Illinois and the City of Chicago, with the City of Chicago taxes applied to pay a portion of the City's obligations toward its fire and police union pensions. Additionally, our permanent casino and resort is projected to create approximately 12,250 design, development and construction jobs and approximately 3,000 permanent jobs upon the opening of

our permanent casino and resort.

Bally's Corporation

Our ultimate parent, Bally's Corporation, is a global gaming, hospitality and entertainment company with a portfolio of casinos and resorts and online gaming businesses. Bally's Corporation provides its customers with physical and interactive entertainment and gaming experiences, including traditional casino offerings, iGaming, online bingo, sportsbook and F2P.

As of September 30, 2024, Bally's Corporation owns and manages 15 land-based casinos in ten states across the United States, one golf course in New York, and one horse racetrack in Colorado operating under Bally's brand. Its land-based casino operations include approximately 14,800 slot machines, 500 table games and 3,800 hotel rooms, along with various restaurants, entertainment venues and other amenities. Certain of its properties are leased under a master lease agreement with GLP, a subsidiary of GLPI, a publicly traded gaming-focused REIT. With its acquisition of London-based Gamesys on October 1, 2021, Bally's Corporation expanded its geographical and product footprints to include an iGaming business with well-known brands providing iCasino and online bingo experiences to its global online customer base with concentrations in Europe and a growing presence in North America. Bally's Corporation's iCasino and online bingo platforms and games content, sportsbook and F2P games are provided on a B2B, as well as a B2C basis. Its revenues are primarily generated by these gaming and entertainment offerings. Bally's Corporation owns and operates its proprietary software and technology stack designed to allow it to provide consumers with differentiated offerings and exclusive content.

In July 2024, Bally's Corporation entered into a definitive merger agreement (as amended in August 2024 and further amended in September 2024), pursuant to which The Casino Queen & Entertainment Inc. ("Casino Queen"), a corporation majority-owned by funds managed by Standard General L.P., Bally's Corporation's largest common stockholder, will merge with Bally's Corporation. Pursuant to the agreement, Bally's stockholders will receive cash merger consideration of $18.25 per share, unless such stockholders elect the rollover election to forego the cash consideration in order to remain invested in the combined company. In connection with the foregoing transactions, Bally's will combine with Casino Queen, a regional casino operator and owner of a significant minority stake in global lottery operator Intralot S.A. Bally's stockholders approved the merger agreement on November 19, 2024. Closing of the transactions contemplated by the merger agreement is anticipated to occur in the first quarter of 2025 and remain subject to the receipt of regulatory approvals and the satisfaction of other customary closing conditions.

Our Location

We have leased a 30-acre property on the banks of the Chicago River, which previously hosted the Chicago Tribune Publishing Center. The proposed site for our permanent casino and resort is at the intersection of Chicago Avenue and Halsted Street in downtown Chicago, which we believe will be an optimal location for our permanent casino and resort. We will look to transform this currently underutilized site into a major economic driver for the city. The proposed site for our permanent casino and resort is also near major shopping and cultural attractions along Michigan Avenue, as well as a wide selection of hotels and restaurants at various price points and that are popular among local residents and tourists.

The proposed site is less than five minutes away from a major highway exit, making it easily accessible by car. We also intend to build a new water taxi stop and a new pedestrian bridge across the Chicago River to make the proposed site even more accessible to Chicago residents and tourists in the downtown area. Our permanent casino and resort will be the only casino in the City of Chicago. The next closest casino is 16 miles outside of the city and not easily accessible via public transportation.

Once fully developed and operational, it will take a commuter approximately:

- 15 minutes on average to reach our permanent casino and resort from Chicago Loop via public transportation;
- 10 minutes on average to reach our permanent casino and resort from Magnificent Mile via public transportation;
- 45 minutes on average to reach our permanent casino and resort from Chicago O'Hare International Airport via public transportation; and
- 50 minutes on average to reach our permanent casino and resort from Midway Airport via public

transportation.

In addition, our permanent casino and resort will have approximately 2,000 feet of contiguous river walk, public parks and docks. Additionally, it will include riverfront restaurants and other amenities, including locations for scenic views.

For illustrative purposes, subject to change, see "Risk Factors — Development and Construction Risks"

Design & Construction

Demolition for construction of our permanent casino, performance center, resort, F&B offerings and hotel began on July 5, 2024, and our permanent casino and resort is expected to open to the public in September 2026. Our plan is to build in phases with demolition, site prep, parking and access to be followed by the construction of the permanent casino, performance center, and hotel tower, and would target that key elements of the project to be ready and prepared to serve patrons by the third quarter of 2026. However, there can be no assurances that we will be successful in doing so. Additionally, based upon our joint assessment with GLPI at the time that we entered into the GLP Term Sheet (as defined herein), we expect to

incur expenses amounting to at least approximately $1.4 billion in the design, development and construction

of our permanent casino and resort. However, this estimate is subject to change based on numerous factors outside of our control, which could cause the actual construction costs to increase. Any increased construction costs could materially and adversely affect the return on our investments. For additional discussion of these factors, please see “*Risk Factors — Development and Construction Risks.*”

Permanent casino and resort renderings (November 2024)
Illustrative design, subject to change, see “Risk Factors — Development and Construction Risks”

In connection with the development and construction of our permanent casino and resort, we intend to contract or achieve:

- 46% or more of the funds earmarked for construction and development will be disbursed to businesses with a certification as Minority or women-owned businesses;
- 50% or more total hours spent on construction and development by City of Chicago residents;
- LEED Gold certification from Green Building Council; and

- 125 points under the Chicago Sustainable Development Policy.

In addition, we are in discussion with the Illinois Gaming Board and Midway International Airport to install slot machines at Midway International Airport.

In November 2022, we entered into the Oak Street Lease Agreement to lease the proposed site on which we plan to develop our permanent casino and resort. The Oak Street Lease Agreement commenced on November 18, 2022 and has a 99-year term.

The Oak Street Landlord has certain material approval rights under the Oak Street Lease Agreement, including over certain transfers, alterations and zoning decisions. The failure to obtain the Oak Street Landlord's consent to any of the foregoing could have a material adverse effect on our business, financial position or results of operations, and the undertaking of any such action without the Oak Street Landlord's consent could result in an event of default, which would give the Oak Street Landlord the right to terminate the Oak Street Lease Agreement.

The Oak Street Landlord also has the right to terminate the Oak Street Lease Agreement upon any event of default. Such events of default include, without limitation, a failure to pay amounts due after applicable notice and cure periods, certain bankruptcy or insolvency events, and the failure to comply with a variety of covenants after applicable notice and cure periods, including those related to the development of our permanent casino and resort, repair and maintenance, alterations and insurance. There are also certain restrictions on our ability to assign our interest in the Oak Street Lease Agreement without having to obtain the Oak Street Landlord's prior consent, including requirements for the transferee (or its parent company or other controlling entity) to satisfy certain financial metrics and have a certain level of experience in operating or managing casinos. In some cases, a transferee's parent company or other controlling entity would need to deliver to the Oak Street Landlord a guaranty of the transferee's obligations as a condition to any assignment.

The proposed site for our permanent casino and resort was previously subleased to and occupied by Tribune. On March 31, 2023, we entered into the Lease Modification Agreement with Tribune. Pursuant to the Lease Modification Agreement, Tribune is contractually required to surrender and vacate the proposed site of our permanent casino and resort no later than July 5, 2024, subject to the $150 million Lease Modification Payment by us to Tribune. The Lease Modification Payment was paid in three installments, $10 million which was paid on April 3, 2023, $90 million which was paid on July 5, 2023 and $50 million which was paid on July 9, 2024, subsequent to Tribune vacating the site.

On July 11, 2024, Bally's entered into the GLP Term Sheet with GLP for a strategic construction and financing arrangement, including up to $940.0 million of funding for the construction of our permanent casino and resort. In connection therewith, GLP acquired the fee interest in the proposed site on which we plan to develop our permanent casino and resort from the Oak Street Landlord and succeeded to the Oak Street Landlord's interest as landlord under the Oak Street Lease Agreement. We intend to enter into (x) the GLP Lease Agreement to lease such property and (y) the GLP Development Agreement pursuant to which GLP will commit to advance up to $940 million of GLP Development Advances for the payment of hard costs used to construct our permanent casino and resort in exchange for increasing the amount of rent that we pay to GLP under the GLP Lease Agreement. Upon entering into the GLP Lease Agreement and the GLP Development Agreement, the Oak Street Lease Agreement will be terminated. The GLP Lease Agreement will have a 15-year term followed by multiple renewal terms to be agreed between us and GLP, and rent payable under the GLP Lease Agreement will be (a) $20.0 million annually, subject to annual escalations to be set forth therein, plus (b) an annual amount equal to 8.5% of the GLP Development Advances that GLP advances to us. In addition, Bally's agreed in the GLP Term Sheet to enter into the New Bally's Master Lease Agreement with GLP with respect to the real properties underlying Bally's Kansas City, Bally's Shreveport, and Twin River Lincoln.

The terms and conditions of the GLP Lease Agreement are expected to be substantially the same as the Existing Bally's Master Lease Agreement, dated June 3, 2021, by and between Bally's Management Group, LLC, an affiliate of Bally's, and GLP, except as modified by the terms set forth in the GLP Term Sheet. GLP will have the right to terminate the GLP Lease Agreement upon any event of default under the GLP Lease Agreement. Such events of default are expected to include, without limitation, a failure to pay amounts due after applicable notice and cure periods, certain bankruptcy or insolvency events, a cross-default with the GLP Development Agreement and the failure to comply with a variety of covenants after

applicable notice and cure periods, including those related to the development of our permanent casino and resort, repair and maintenance, alterations and insurance. In addition, the GLP Lease Agreement will be amended to add a cross-default to the Bally's Master Lease Agreements upon any refinancing, extension or majority amendment of Bally's existing credit facilities.

There will also be certain restrictions on our ability to assign our interest in the GLP Lease Agreement without having to obtain GLP's prior consent, including requirements for the transferee (or its parent company) to satisfy certain financial metrics and have a certain level of experience in operating or managing casinos.

GLP's obligation to make GLP Development Advances under the GLP Development Agreement will be subject to certain conditions, including the following: (a) we shall have unrestricted access to funds in an amount sufficient at the time of each GLP Development Advance to fund the construction of our permanent casino and resort and (b) all of the definitive documents required by the GLP Term Sheet shall have been signed, or, if such definitive documents cannot be signed without regulatory approval required under applicable law and such regulatory approval is the sole condition precedent to the signing of such definitive documents, such definitive documents are in final form and have been submitted for regulatory approval. We will be obligated to construct our permanent casino and resort in compliance with terms and conditions to be set forth in the GLP Development Agreement, which are expected to be customary and reasonable for large scale multi-phase developments and are expected to include the satisfaction of to-be-specified development and construction milestones.

The GLP Development Agreement will contain customary representations and covenants by us and will contain funding conditions in each case which are customary and reasonable for large scale multi-phase developments, including, without limitation, (a) GLP's reasonable approval of plans and specifications, the project budget (including amendments thereto and reallocations therein except those to be permitted under the GLP Development Agreement), the project schedule, the underlying construction and architect contracts, and all change orders (subject to exceptions to be set forth in the GLP Development Agreement), (b) GLP's receipt of appropriate lien waivers, (c) budget balancing requirements, (d) retainage requirements, (e) the identification of a GLP representative as "owners representative" under the construction contract, and (f) other customary conditions, all to be set forth in the GLP Development Agreement. The GLP Development Agreement will also contain defaults and remedies which are customary and reasonable for large scale multi-phase developments, including, without limitation, a cross-default with the GLP Lease Agreement. We will not be permitted to assign, finance, transfer, pledge or encumber our interest in the GLP Development Agreement without GLP's prior written consent, whether or not any such assignment, financing, transfer, pledge or encumbrance is permitted with respect to the GLP Lease Agreement, other than to a permitted leasehold mortgagee under the GLP Lease Agreement.

The terms and conditions of the GLP Lease Agreement and the GLP Development Agreement are subject to ongoing negotiations between us and GLP, and no guarantees can be given that we will enter into the GLP Lease Agreement or the GLP Development Agreement on the terms described herein or at all. We expect to consummate the GLP Lease Agreement and terminate the Oak Street Lease Agreement in the first quarter of 2025.

Permanent Casino and Resort Illustrative Examples of Performance Based on Various Assumptions

We expect our permanent casino and resort to open to the public in September 2026. Based on current design specifications and projected square footage, our planned permanent casino and resort is expected to feature, among other things, approximately 3,400 slot machines, 173 table games, 10 F&B venues, a hotel tower with 500 rooms and a rooftop bar. This gaming, hospitality and F&B capacity has been strategically determined to optimize revenue potential and guest experience while aligning with anticipated market demand and regulatory requirements. The final number and mix of gaming, hospitality and F&B offerings may be subject to adjustment based on ongoing market analysis, regulatory approvals, and construction developments.

These illustrative examples are based on hypothetical assumptions and scenarios, using historical data and industry-based assumptions. It is not a prediction or guarantee of future performance and may have limited applicability, particularly because the gaming and hospitality industry is subject to rapid changes in consumer preferences, technological advancements, regulatory landscapes and economic conditions. This

sensitivity analysis is solely designed to illustrate potential variability in results under different hypothetical scenarios and does not predict actual future events or outcomes, nor does it assign probabilities to different scenarios. As such, there can be no assurance that we will achieve any of the results presented in the hypothetical scenarios and our actual results may differ materially from the hypothetical scenarios presented.

The illustrative examples are based upon a number of assumptions and estimates that, although presented with numerical specificity, are inherently subject to business, economic and competitive uncertainties and contingencies, many of which are beyond our control and are based upon specific assumptions with respect to future business decisions, most of which will change. While the sensitivity analysis presented reflects our management's best assumptions as of the date of this prospectus, they are not intended to represent that actual results could not fall below such estimates. There can be no assurance that we will achieve or surpass the results presented within the illustrative examples included below. For example, the City of Chicago's 2024 budget anticipated $35 million in gaming tax revenue to be generated from our temporary casino in 2024, but our temporary casino generated $16 million in 2024. As such, we and the City of Chicago overestimated revenue projections from the temporary casino, and the same could happen with respect to our permanent resort and casino.

In addition to assumptions on revenue generated by gaming, the table below outlines various additional assumptions, including anticipated hotel room occupancy rates and the expected number of guests. Additionally, it makes assumptions as to the revenue that could be generated from such guests' expenditures at on-site restaurants, bars, and F&B generally. These assumptions are subject to numerous risks. For instance, consumers may choose to visit casinos elsewhere in the state of Illinois or in neighboring states. Even if they decide to stay in the hotel that is planned for our permanent casino and resort, such hotel guests may choose not to visit the casino, opt to dine elsewhere in Chicago (which is a city that has a large quantity of restaurants and bars), or decide not to spend on F&B at all. Consequently, there is no assurance that the projected figures for gaming and F&B revenue will be realized. In addition, since 2019, the Illinois Gaming Board has approved the establishment of six new casinos within the state of Illinois, reflecting a significant expansion of the gaming landscape within the state. In the future, there may be further authorizations, either through the introduction of additional casinos or the expansion of existing ones, as the board continues to evaluate the evolving market dynamics. The proximity of the current, and any future, casinos to our permanent casino and resort presents a strategic challenge, as it raises the risk of market saturation. Such saturation could lead to increased competition, with other casinos potentially attracting customers who might otherwise visit our permanent casino and resort. This competitive pressure could result in a dilution of our customer base, thereby impacting our revenue, market position and overall financial performance.

Furthermore, the illustrative examples do not include estimated expenses due to the unpredictability of the expenses in the industry. Our expenses include gaming expenses, non-gaming expenses, general and administrative expenses and advertising expenses. Our gaming expenses include, among other things, payroll costs and expenses associated with the operation of slot machines and table games, including gaming taxes payable to the jurisdiction in which the Company operates. Our non-gaming expenses, include, among other things, payroll costs and expenses associated with the operation of restaurants and retail operations. Our general and administrative expenses consist primarily of salaries, bonuses and benefits for employees, legal and other professional services fees, and other general operating expenses.

We are generally subject to gaming-related taxes, including, but not limited to, Illinois admission and privilege taxes and Cook County gambling machine tax. Our operations generally are subject to significant state and local gaming-related receipts-based taxes and fees, in addition to state and local taxes applicable to non-gaming operations, and such taxes and fees generally are subject to increase at any time. We generally anticipate being subject to gaming-related receipts-based taxes imposed by Illinois, with Illinois and Chicago rates generally currently varying between approximately 8.1% - 40%, depending on certain factors, including but not limited to the amount of receipts received and the type of game.

From time to time, federal, state and local legislators and officials have proposed changes in tax laws, or in the administration of such laws, affecting the gaming industry. Further, worsening economic conditions could intensify the efforts of applicable state and local governments to raise revenues through increases in gaming taxes and/or non-gaming taxes. It is not possible to determine with certainty the likelihood of changes in tax laws in these jurisdictions or in the administration of such laws. Such changes, if adopted, could

adversely affect our business, financial condition and results of operations. Any material increase, or the adoption of additional taxes or fees, could adversely affect our future financial results.

Given the factors described above, investors should be aware that expenses may be higher that the AGRs presented in each of the scenarios and may results in operating losses. There is no guarantee that our permanent resort and casino will be profitable under any of the scenarios described below or at all.

The illustrative examples presented below are speculative in nature, and it is likely that some or all of the assumptions underlying these hypothetical scenarios will not materialize or will vary significantly from actual results. Any failure to successfully implement our operating strategy or the occurrence of any of the risks or uncertainties set forth in this prospectus, could result in actual results being different than those presented in our sensitivity analysis, and such differences may be adverse and material. In light of the foregoing, investors are urged to put such hypothetical examples in context and not to place undue reliance on it. For further discussion of some of the factors that may cause actual results to vary materially from the information provided below, see "*Cautionary Note Regarding Forward-Looking Statements*" and "*Risk Factors*."

For illustrative purposes only, the table below reflects an example of hypothetical outcomes based on various WPUPD, which is the average revenue a single gaming unit generates daily, and AGR, which is the WPUPD on an annualized basis, scenarios based on the anticipated 3,400 slot machines, 173 table games, 10 F&B venues, a hotel tower with 500 rooms and a rooftop bar we currently expect to feature in our permanent casino and resort. Changes in the number of slot machines and table games would have a corresponding impact on the illustration set forth below.

For comparative context, we have included WPUPD and AGR data, slot machine counts, and table game counts as of and for the year ended December 31, 2023 for select gaming properties. This information has been derived from public filings of the respective casino operators. The properties included are the MGM National Harbor Casino and Encore Boston Harbor Casino, which are casino resorts in a campus environment that operate in or near similar major metropolitan areas, as well as Hard Rock Northern Indiana Casino, Rivers Casino, Ameristar East Chicago, Grand Victoria Casino, Harrah's Joliet Casino & Hotel, Hollywood Casino Aurora, Hollywood Casino Joliet, and Horseshoe Hammond, which are casinos located near the Chicago metropolitan area and in Northern Indiana. We have identified these properties as potentially comparable to our proposed permanent casino and resort based on certain factors, including location in metropolitan areas with similar demographic profiles, comparable economic characteristics of the surrounding regions, and proximity to the City of Chicago.

Investors should be aware that these comparisons have limitations and may not be directly applicable to our proposed operations due to various factors, including but not limited to differences in local market conditions, variations in regulatory environments, property-specific operational strategies, and unique competitive landscapes in each market. The information provided is intended solely to offer context and does not constitute a projection or forecast of our future performance.

See "*Risk Factors — Business Operational Risks — Actual operating results may differ significantly from our hypothetical examples*" and "*Cautionary Note Regarding Forward-Looking Statements*."

($ in MM, except WPUPD and % metrics)	**Scenario #1**	**Scenario #2**	**Scenario #3**	**Scenario #4**
Slot Machines[1]	3,400	3,400	3,400	3,400
Slots WPUPD	$ 350	$ 400	$ 450	$ 500
Slots AGR[2]	$ 434	$ 496	$ 558	$ 621
Table Games[3]	173	173	173	173
Table Games WPUPD	$3,500	$4,000	$4,500	$4,500
Table Games AGR[4]	$ 221	$ 253	$ 284	$ 284
Gaming AGR[5]	**$ 655**	**$ 749**	**$ 843**	**$ 905**

Hotel ADR[6]	250	300	350	400

($ in MM, except WPUPD and % metrics)	Scenario #1	Scenario #2	Scenario #3	Scenario #4
Rooms[7]	500	500	500	500
Occupancy	65.0%	70.0%	75.0%	80.0%
Hotel Room Revenue[8]	$ 30	$ 38	$ 48	$ 58
AGR Pull-through[9]	$ 47	$ 51	$ 55	$ 58
Hospitality AGR[10]	$ 77	$ 89	$ 103	$ 117
Percentage of Gaming AGR	12.5%	15.0%	17.5%	20.0%
F&B AGR	$ 82	$ 112	$ 147	$ 181
Total AGR[11]	**$ 814**	**$ 951**	**$1,093**	**$1,202**

(1) Our permanent casino and resort is being designed to include 3,400 slot machines.

(2) Slots AGR is calculated as the number of slot machines multiplied by the assumed slots WPUPD and further multiplying the result by 365 days.

(3) Our permanent casino and resort is being designed to include approximately 173 table games.

(4) Table Games AGR is calculated as the number of table games multiplied by the assumed table games WPUPD and further multiplying the result by 365 days.

(5) Gaming AGR is the calculated as the sum of Slots AGR and Table Games AGR and excludes retail sportsbook.

(6) “Hotel ADR” is defined as the assumed average daily rate for each hotel room.

(7) Our permanent casino and resort is being designed to include approximately 500 rooms.

(8) Hotel room revenue is calculated as the assumed Hotel ADR multiplied by the assumed number of rooms as further multiplied by 365 days.

(9) AGR pull-through is the assumed average additional revenue generated per occupied room on a daily basis based on the assumed additional gaming and F&B revenue generated by hotel guests occupying such rooms.

(10) Hospitality AGR is calculated as the sum of hotel room revenue and AGR pull-through.

(11) Total AGR is the sum of Gaming AGR and F&B AGR.

	Comparable Properties for 2023[12]			
($ in MM, except WPUPD metrics)	MGM National Harbor	Encore Boston	Hard Rock Northern Indiana	Rivers Casino Illinois
Slot Machines	2,265	2,550	1,743	1,516
Slots WPUPD	$ 589	$ 448	$ 486	$ 598
Table Games	209	191	76	120
Table Games WPUPD	$4,572	$4,848	$4,202	$4,744
Total Gaming AGR[13]	**$ 834**	**$ 755**	**$ 426**	**$ 539**

(13) Gaming AGR does not include retail sportsbook.

Illinois and Northern Indiana Slots

		2023[12]		
	# Slots	Admissions	AGR	WPU
Ameristar East Chicago	1,162	N/A	$154	$362

Grand Victoria Casino	762	943	$119	$427
Hard Rock Northern Indiana	**1,743**	**N/A**	**$309**	**$486**

		2023[12]		
	# Slots	Admissions	AGR	WPU
Harrah's Joliet Casino & Hotel	777	738	$113	$400
Hollywood Casino Aurora	832	852	$ 77	$255
Hollywood Casino Joliet	937	683	$ 80	$233
Horseshoe Hammond	1,688	N/A	$235	$381
Rivers Casino Des Plaines	**1,516**	**3,088**	**$331**	**$598**
Average	**1,177**	**1,261**	**$177**	**$393**
Median	**1,050**	**852**	**$136**	**$390**
Top Performers – Averages				
Top Performer Average	**1,705**	**2,230**	**$316**	**$519**

Illinois and Northern Indiana Table Games

		2023[12]		
	# Tables	Admissions	AGR	WPU
Ameristar East Chicago	44	N/A	$ 35	$2,168
Grand Victoria Casino	45	943	$ 31	$1,896
Hard Rock Northern Indiana	**76**	**N/A**	**$117**	**$4,202**
Harrah's Joliet Casino & Hotel	21	738	$ 18	$2,344
Hollywood Casino Aurora	34	852	$ 20	$1,616
Hollywood Casino Joliet	13	683	$ 12	$2,367
Horseshoe Hammond	81	N/A	$ 68	$2,289
Rivers Casino Des Plaines	**120**	**3,088**	**$208**	**$4,744**
Average	**54**	**1,261**	**$ 64**	**$2,703**
Median	**45**	**852**	**$ 33**	**$2,316**
Top Performers – Averages				
Top Performer Average	**93**	**2,230**	**$144**	**$4,365**

(12) Based on publicly available information. All figures are as of and for the year ended December 31, 2023.

These illustrative comparisons are only for purposes of illustrating the publicly reported WPUPD per slot machine and table game, and the associated AGR for nearby casino properties in Illinois and Northern Indiana. These illustrative comparisons are not projections, goals or targets but reflect the actual reported results of these casino properties as reported by the Illinois and Indiana state gaming commissions for the relevant periods.

The illustrative comparisons set forth above were not prepared with a view toward compliance with published guidelines of the SEC or the guidelines established by the American Institute of Certified Public Accountants for preparation or presentation of prospective financial information. Such illustrative examples have been prepared by, and is the responsibility of, our management. Neither the Company's independent auditors, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the illustrative example information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.

This prospectus does not include a reconciliation of estimated Total AGR to estimated GAAP revenue

because we are unable, without making unreasonable efforts, to provide a meaningful or reasonably accurate calculation or estimation of certain reconciling items which could be significant to our results.

Hospitality Industry in Chicago

The hospitality industry in Chicago is showing strong signs of recovery and growth, driven by a combination of increasing tourism, business travel and a dynamic local culture. Occupancy rates are steadily climbing as travelers return to the city for its world-class dining, vibrant arts scene and high-profile events like conventions and festivals. Hotels are adapting to evolving guest expectations by modernizing amenities, prioritizing sustainability, and enhancing the overall guest experience. The city's strong marketing efforts and investment in infrastructure, such as O'Hare's expansion, have also boosted its appeal as a global destination. With these improvements, Chicago's hospitality sector has positioned itself as a leader in urban tourism and accommodation.

In 2023, the Chicago hospitality industry exceeded the expectations, booking over 2,100 future meetings and events, representing 2.45 million hotel room nights, which exceeded 2022 levels by 43%. This was driven primarily by a steady influx of visitors exploring Chicago's vibrant neighborhoods, iconic landmarks and world-class cultural offerings. The City saw 52 million visitors — over 3 million more than 2022 — and filled 11 million hotel rooms.

2023 Hotel Occupancy Rates

TOTAL	LEISURE	GROUP
65.2%	**44.5%**	**19.3%**
+8.0% Year-over-Year	+9.4% Year-over-Year	+5.0% Year-over-Year

2023 Hotel Rooms Occupied (Millions)

TOTAL	LEISURE	GROUP
11.02	**7.51**	**3.26**
+10.5% Year-over-Year	+11.9% Year-over-Year	+7.4% Year-over-Year

2023 Hotel Revenue and Taxes

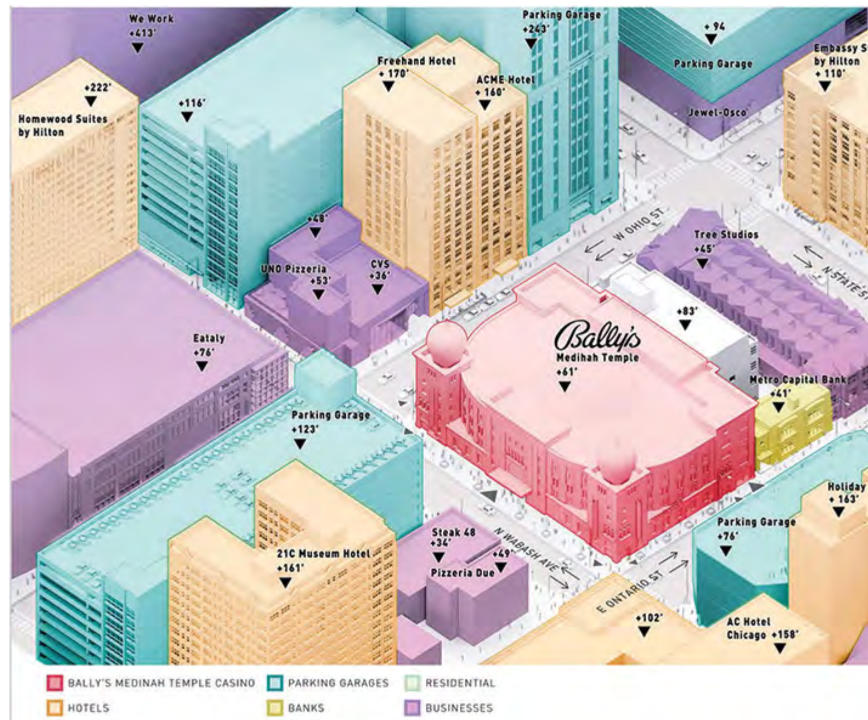
TOTAL	LEISURE	GROUP
$2.5B	**$140.4M**	**$437.4M**
+10.3% Year-over-Year	+10.3% Year-over-Year	+10.3% Year-over-Year

Temporary Casino

While we work to construct our permanent casino and resort on the banks of the Chicago River, we built a temporary casino in downtown Chicago. However, as the name implies, our temporary casino is expected to close once we open our permanent casino and resort, as our license to operate our temporary casino would cease in order to open our permanent casino and resort in the third quarter of 2026.

Our temporary casino is situated in the former location of the Medinah Temple, which acted as a community and social center in Chicago from its construction in 1912. Our temporary casino began operations on September 9, 2023. Our temporary casino includes approximately 1,000 gaming positions and

two F&B venues.



Our new work for our temporary casino respects and maintains the existing landmarked items identified by the City of Chicago in the Medinah Temple, including the exterior façade. While we performed minor improvements on the façade, such work was focused on the replacement of signage in the same locations utilized by previous tenants. Within the Medinah Temple, we preserved the stained glass windows, stage proscenium, column capitals and third floor ceiling, including the four domes. As of September 30, 2024, we have incurred approximately $70.0 million in costs in connection with the design and development of our temporary casino.

Timeline of Key Milestones[(1)]

Date	Key Milestone
September 9, 2023	**Grand opening of our temporary casino**
July 5, 2024	Tribune surrenders and vacates proposed site of our permanent casino and resort
July 5, 2024	Decommission and demolition of building on site of our permanent casino and resort
Q1 2025	Commencement of construction of our permanent casino and resort
Q3 2026	**Grand opening of our permanent casino and resort**[(2)]

---

(1) This timeline reflects our current business strategy. However, our ability to implement our business strategy is subject to numerous risks and uncertainties. We face many risks inherent in our business generally. You should carefully consider all of the information set forth in this prospectus and, in particular, the information under the heading "*Risk Factors.*" These risks include various construction and development risks in connection with our permanent casino and resort. See "*Risk Factors — Development and Construction Risks*."

(2) The Host Community Agreement with the City of Chicago provides for significant liquidated damages in the event that we do not meet the milestones specified as to our temporary casino and our permanent casino and resort. See "*— Our Relationship with Chicago — Host Community Agreement with the City of Chicago*" for more information on these milestones. Also see "*Risk Factors — Development and*

Construction Risks" for more information on various construction and development risks in connection with our permanent casino and resort.

Competitive Strengths

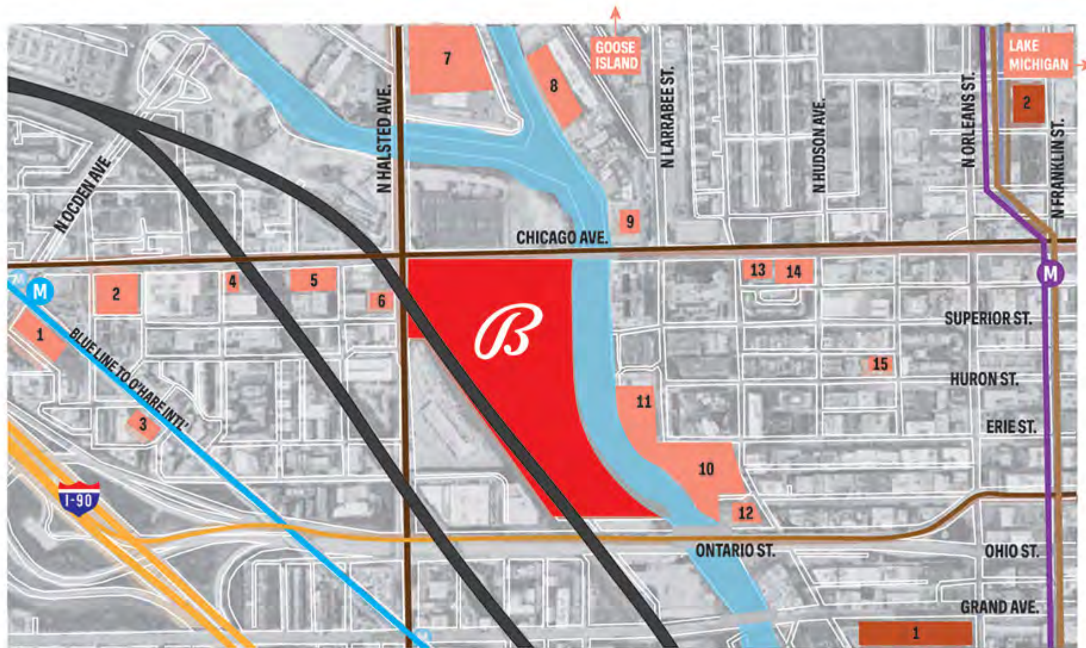
Fully integrated destination resort focused on the attractive mainstream market segment

Our permanent casino and resort is focused on the mainstream market segment. We believe this segment provides attractive long-term growth opportunities and the mainstream market gaming segment has relatively high margins in comparison to other gaming segments.

Our permanent casino and resort is being designed to feature a hotel tower including 500 rooms and a rooftop bar. Our dining and beverage options are also designed for broad market appeal and include a range of restaurants, cafes, bars and lounges. Our location, in the heart of the City of Chicago, offers an immersive entertainment environment in street and riverscape surroundings inspired by iconic shopping in the Magnificent Mile district. Our permanent casino and resort will also feature a new landscaped riverwalk with activation elements such as artwork, walking paths and a dog park. It will also include a new park along the river, terraced steps and outdoor seating for restaurants, cafes, bars and lounges. The park will be accessible to the public during the hours typical of Chicago public parks. We believe that our combination of entertainment and leisure activities, differentiated gaming attractions in comparison to other offerings in this geographic location and outdoor space, including being the only casino in the City of Chicago, delivered in an easily accessible location, will provide a customer experience that is hard to replicate without having to visit multiple destinations.

Strategic location with strong and improving accessibility

The following map illustrates the centralized location of our permanent casino and resort in Chicago:

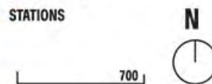


HOTELS

1. LEVEL HOTEL CHICAGO
2. THE CHICAGO HOTEL COLLECTION RIVER NORTH

ENTERTAINMENT/FOOD

1. INTUIT: THE CENTER FOR INTUITIVE AND OUTSIDER ART
2. URBAN MARKET GROCERY
3. WEINBERG/NEWTON ART GALLERY
4. AGLAIA COFFEE & TEA CO
5. EGGHOLIC CHICAGO
6. AIRE ANCIENT BATHS AND MASSAGE CHICAGO
7. FGA GREYHOUND
8. COAST YACHT RENTALS
9. ALLYU SPA
10. MONTGOMERY A. WARD PARK
11. LARABEE DOG PARK
12. KAI SUSHI
13. STARBUCKS COFFEE
14. SOLIDCORE FITNESS
15. OBELIX RESTAURANT



EL LINE (BROWN, PURPLE & BLUE)
I-90 (YELLOW)
STATIONS
N
700

Our permanent casino and resort will be strategically located in the heart of the City of Chicago, as

the only casino located directly adjacent to the Chicago River, with easy access to the blue transit line as

well as to multiple bus stops. The City of Chicago is the third most populous city in the United States, with 2.7 million residents in 2023 according to the United States Census Bureau. According to Forbes and Business Insider, tourism to the City of Chicago reached approximately 55 million visitors prior to the COVID-19 pandemic and is expected to fully rebound by the end of 2024.

We believe we can also leverage the traffic flow from nearby hotels, theaters, bars, restaurants, shopping districts and McCormick Place Convention Center to drive significant traffic to our permanent casino and resort, primarily due to our differentiated gaming and entertainment attractions in comparison to other offerings in this geographic location. Our close proximity to the Chicago River, which is a top tourist attraction in Chicago, will allow us to drive marketing promotions to tourists and drive further traffic to our permanent casino and resort. We intend to build a new water taxi stop and a new pedestrian bridge across the Chicago River to capitalize on traffic flow and make the proposed site even more accessible to Chicago residents and tourists in the downtown area. We also expect to be a natural and popular first stop for a large number of visitors to Chicago due to our close proximity to the River West, Fulton River District, River North and West Loop entertainment districts.

Backed by an established operator with a leading and diversified national gaming footprint

We are backed by Bally's Corporation, an established operator in our casino and resort industry that is capable of providing expertise, know-how and support across the entire gaming spectrum, ranging from generation and advertising technology to the collection, processing and extrapolation of data and odds, to visualization solutions, risk management and platform services.

The deep understanding of our public company parent of the gaming industry, customer needs and preferences, regulatory processes and the evolving competitive landscape offers us a significant competitive advantage over our competitors. Upon the closing of this offering, we will continue to benefit from our relationship with Bally's Corporation through the scale of Bally's operations, including the centralization of shared services and support functions such as legal, information technology, human resources, supply chain logistics, warehousing, strategic sourcing and transportation. We will also continue to benefit from Bally's Corporation's extensive customer and sales network, as well as its well-developed and recognized customer loyalty programs, which we will continue to leverage to further drive visitation.

After its contemplated merger with Casino Queen, Bally's Corporation's casino offerings will stretch across eleven states across the United States. We believe the breadth of their offerings and reach gives us a competitive advantage in launching operations in a new city or state, as we are able to leverage their considerable resources and know-how to deliver the best offerings to potential customers.

Powerful network effects accelerate our value proposition

Under the Bally's brand, we are able to benefit from powerful network effects, which further accelerate our value proposition. As a national participant in the gaming industry, Bally's Corporation has casinos resorts spread across numerous major cities and has hosted tens of millions of customers since all of its casino resorts and online gaming operations commenced operations. We believe that, by operating under the Bally's brand, we will be able to attract existing and new customers to our new casino and resort, as we will not be required to gain their trust upon launching our operation.

Experienced and Dedicated Management Team

Our management team has extensive experience in the gaming and hospitality industries. Management team members have prior tenures at other large-scale casino and entertainment companies, such as PENN Entertainment, Delaware North Companies, International Game Technology and Northstar Lottery Group. Our management team has an average of more than 11 years of experience in the gaming and hospitality industries. In addition, as of September 30, 2024, Bally's had approximately 10,500 employees who are dedicated to Bally's national and international operations to ensure exceptional customer experiences. We will also receive certain centralized corporate and management services from Bally's Corporation, including shared service staff who will devote a portion of their time to our operations. We intend to continue to

capitalize on the deep industry expertise, management skills and strong execution capabilities of our

management team to successfully formulate and implement our strategies, and continue to streamline our operations by utilizing the services provided by our affiliates.

Our Business and Growth Strategies

Continue to focus on the mainstream market segment

We intend to focus on mainstream market gaming due to its attractive growth opportunities and higher margin profile. We are designing our non-gaming attractions to complement the mainstream market focus of our permanent casino and resort by delivering experiences that appeal to mainstream market players. We aim to leverage our differentiated entertainment, retail, F&B and hotel amenities to drive visitation, longer stays and greater spending by our patrons. Under our current plan, our permanent casino and resort is being designed to include approximately 3,400 slot machines and 173 table games. In addition, we currently envision outdoor green space, including an expansive public riverwalk with a water taxi stop. Other non-gaming attractions expected to be part of our permanent casino and resort include a hotel tower with 500 rooms, a rooftop bar, a 3,000-person mixed use entertainment and event center, as well as retail and F&B outlets. We expect our current plan for our permanent casino and resort to diversify our offerings and create long-term shareholder value.

Continue to drive visitation and revenue growth through innovative non-gaming attractions

We intend to enhance and diversify our differentiated non-gaming amenities and service offerings with the goal to drive further visitation to our casino and resort by both residents of Chicago and tourists visiting Chicago, and deliver long-term growth and high margins. We believe our permanent casino and resort will be different from existing resorts and casinos in Illinois and neighboring states because of our strategic location along the Chicago River, as well as our innovative and interactive entertainment attractions, which are intended to appeal to both individuals and groups interested in gaming and those not interested in gaming alike. We intend to leverage Bally's Corporation's existing attractions to provide superior entertainment experiences. For example, we intend to host premier concerts and events over time to increase our brand recognition locally, which we believe we can do using our nationwide access to premier talent. We also intend to enhance existing attractions and update them over time, and to optimize our mix of retail and F&B offerings that appeal to our target customers.

Continue to pursue strategic marketing initiatives and differentiate the "Bally's" brand

We plan to continue to build the "Bally's" brand to increase awareness among potential customers, particularly in Chicago and the Midwest. We intend to continue to pursue innovative promotions, including engaging influencers and celebrities to promote our casino and report's themes and entertainment facilities, and to host special events. We also plan to enhance our advertising activities, including through a variety of social media, print, television, online, outdoor, onsite and other means. In addition, we intend to leverage our relationship with Bally's Corporation to promote our casino and resort through complementary and cost-effective cross-marketing and sales campaigns.

Prudently manage our capital structure

We commenced operations in June 2022, and we intend to develop a capital structure to match and support the on-going ramp-up of our operations. We intend to strengthen our balance sheet by focusing on optimizing our leverage, maintaining a competitive cost of capital and improving balance sheet flexibility. We intend to use all of the net proceeds from this offering, together with the proceeds from the concurrent private placements, the Subordinated Loans and the IPO Expenses Note, to purchase 10,000 LLC Interests directly from Bally's Chicago OpCo at a price per unit equal to the stated value of $25,000 per Class A Interest, which is equal to the amount paid by investors in this offering plus the corresponding amount of Subordinated Loans attributable to each Class A Interest.

Bally's Chicago OpCo intends to use the proceeds it receives from the sale of LLC Interests to Bally's Chicago, Inc. to repay $250.0 million outstanding aggregate amount under the Pre-IPO Intercompany Notes.

In turn, we believe we will be sufficiently capitalized through the fourth quarter of 2027. We intend to prudently manage our capital structure as we continue to grow our operations.

Our Relationship with Bally's Corporation

We intend to benefit from Bally's Corporation's significant experience and knowledge in the U.S. gaming market. In January 2023, Bally's Chicago OpCo and certain subsidiaries of Bally's Corporation entered into the Permanent Services Agreement with BMG, a subsidiary of Bally's Corporation. Pursuant to the Permanent Services Agreement, BMG agreed to provide us and certain subsidiaries of Bally's Corporation with general business support services, including services relating to external reporting obligations, internal audit, regulatory filings, design and construction, business development, human resources, tax, accounting, treasury and capital related, risk management, legal, finance and marketing upon the opening of our permanent casino and resort. Pursuant to the Permanent Services Agreement, we agreed to pay BMG an annual fee equal to the salaries, burden, overhead and other operating costs for providing such services based on our share of those costs calculated by reference to an appropriate common-size metric plus 6%, which fee may be reviewed and adjusted by the parties from time to time to reflect current market rates for such services and as required by the Code. The initial term of the agreement is one year, beginning upon the opening of our permanent casino and resort, and will be automatically renewed for successive one-year terms, unless either party serves on the other a written notice of termination. We believe the support provided by Bally's Corporation increases our competitive advantage and will contribute to the success of our business. See "*Transactions with Related Persons — Permanent Services Agreement.*"

In addition, in August 2023, Bally's Chicago OpCo entered into the Temporary Services Agreement with BMG, a subsidiary of Bally's Corporation. Pursuant to the Temporary Services Agreement, BMG agreed to provide us with general business support services, including services relating to external reporting obligations, internal audit, regulatory filings, design and construction, business development, human resources, tax, accounting, treasury and capital related, risk management, legal, finance and marketing related to our temporary casino. Pursuant to the Temporary Services Agreement, we agreed to pay BMG a monthly fee equal to $5.0 million, which fee may be reviewed and adjusted by the parties from time to time to reflect current market rates for such services and as required by the Code. The initial term of the agreement is two years, beginning August 30, 2023, and will be automatically renewed for successive one-year terms for as long as our temporary casino is licensed to continue operations, unless BMG serves on Bally's Chicago OpCo a written notice of termination. The Temporary Services Agreement shall automatically terminate when our temporary casino permanently closes and our permanent casino and resort opens to the public. See "*Transactions with Related Persons — Temporary Services Agreement*."

We and Bally's Chicago HoldCo, our direct parent and the entity that will hold all of our Class B Interests after the closing of this offering, as well as all other current and future direct unrestricted subsidiaries of Bally's Corporation under its credit facilities and bond indentures, will guarantee Bally's Chicago OpCo's obligations under the GLP Lease Agreement and GLP Development Agreement; *provided*, however, that at such time as Bally's Chicago OpCo becomes a restricted subsidiary under Bally's Corporation's credit facilities and bond indentures, (i) Bally's Corporation (or its Parent Company (as defined in Bally's Corporation's existing master lease agreement with GLP), if any, following a Control Transaction (as defined in the GLP Term Sheet)) will be required to guarantee the GLP Lease Agreement and GLP Development Agreement and (ii) following the delivery of such guarantee, the guarantees of the GLP Lease Agreement and GLP Development Agreement provided by Bally's Chicago HoldCo and such other unrestricted subsidiaries of Bally's Corporation shall terminate.

In connection with Bally's Chicago HoldCo's commitment to guarantee the GLP Lease Agreement and GLP Development Agreement, and in partial consideration for certain investments by Bally's Corporation and its subsidiaries into Bally's Chicago OpCo, we and Bally's Chicago OpCo intend to guarantee all obligations, including, without limitation, indebtedness and lease obligations of Bally's Corporation and its subsidiaries upon Bally's Corporation's (or its Parent Company's (as defined in Bally's Corporation's existing master lease agreement with GLP), if any, following a Control Transaction (as defined in the GLP Term Sheet)) guaranteeing the GLP Lease Agreement and the GLP Development Agreement or upon request from Bally's Corporation; *provided* that, at any time after such guarantee by Bally's Corporation (or its Parent Company) or such request from Bally's Corporation, upon request of Bally's Chicago OpCo, Bally's

Corporation will guarantee Bally's Chicago OpCo's obligations under any lease obligations outstanding at such time, including any obligations under the Oak Street Lease Agreement or, if entered into, the GLP Lease Agreement and the GLP Development Agreement, to the maximum extent permitted under the instruments governing Bally's Corporation's indebtedness (assuming full borrowing of all outstanding commitments under Bally's Corporation's revolving credit facilities outstanding at such time). Furthermore, we and Bally's Chicago OpCo intend to enter into the Guarantee Agreement with Bally's Corporation, pursuant to which, at any time in the future, upon request from Bally's Corporation, we and Bally's Chicago OpCo will guarantee, and cause each of our wholly-owned subsidiaries to guarantee, any additional obligations, including, without limitation, indebtedness and lease obligations that Bally's Corporation or its subsidiaries enter into at any time in the future. See "*Transactions with Related Persons — Guarantee of Bally's Corporation's Obligations*."

In connection with this offering and the Transactions, we and Bally's Chicago HoldCo intend to enter into the Stockholders Agreement, pursuant to which for so long as Bally's Chicago HoldCo beneficially owns at least 50% of the aggregate number of our stock outstanding, certain actions by us or any of our subsidiaries, including Bally's Chicago OpCo, will require the prior written consent of Bally's Chicago HoldCo. The actions that will require prior written consent include: (i) change in control transactions of our company or any of our subsidiaries, including Bally's Chicago OpCo, (ii) acquiring or disposing of assets or any business enterprise or division thereof for consideration in excess of $50.0 million in any single transaction or series of transactions, (iii) increasing or decreasing the size of our board of directors, (iv) initiating any liquidation, dissolution, bankruptcy, or other insolvency proceeding involving us or any of our subsidiaries, including Bally's Chicago OpCo, and (v) any transfer, issue, sale, or disposition by us of any shares of stock, other equity securities, equity-linked securities, or securities that are convertible into equity securities of us or our subsidiaries to any person or entity that is a non-strategic financial investor in a private placement transaction or series of transactions.

Our Relationship with Chicago

We are designing, developing and constructing a world-class entertainment destination resort in partnership with the City of Chicago. In connection with this partnership, we have entered into various agreements and development programs as set forth below.

Host Community Agreement with the City of Chicago

On June 9, 2022, we signed the Host Community Agreement with the City of Chicago to develop our destination casino and resort in downtown Chicago. The Host Community Agreement provides us with the exclusive right to operate a permanent casino and a temporary casino for up to three years while our permanent casino and resort is constructed.

Pursuant to the Host Community Agreement, our permanent casino and resort is being designed to feature:

- approximately 150 permanent gaming tables, including 20 poker tables;
- in-person and mobile sports wagering facilities;
- a 5-star quality high-end luxury hotel with 100 rooms initially, as well as amenities such as a rooftop bar, a fitness center, subject to expansion to up to 500 rooms within approximately five years of the opening of our permanent casino and resort;
- approximately 65,000 square feet of entertainment and event space, including a flexible theater space with approximately 2.4 acres of greenspace that can be used to host outdoor events;
- six restaurants/cafes and a food hall, including a three-meal diner with capacity for approximately 150 seats, a Bally's Sports Bar with capacity for approximately 200 seats, a food hall with capacity for approximately 175 seats, an Asian restaurant with capacity for approximately 50 seats, a steakhouse with capacity for approximately 150 seats, an Italian restaurant with capacity for

approximately 200 seats and a grab-and-go coffee bar with capacity for approximately 20 seats;

- four bars and lounges, including a casino bar, a cocktail lounge with capacity for over 50 seats, a VIP lounge with capacity for over 60 seats and a rooftop bar with capacity for over 100 seats (including two hidden speakeasies that patrons can visit);
- approximately 3,000 square feet of ancillary retail space, including sundries and souvenir shops;
- a garage or parking facility with approximately 3,300 parking spaces, including approximately 2,200 patron spaces, approximately 600 employee spaces and approximately 500 valet spaces;
- a visitor center for tourists and business travelers visiting Chicago, including a concierge service operated in coordination with Choose Chicago, a nonprofit organization that specializes in Chicago travel options; and
- an approximately 23,000 square foot museum, with exhibits presenting Chicago sports and history and other rotating exhibitions.

In furtherance of these obligations, the Host Community Agreement establishes a minimum capital investment of $1.34 billion on the design, construction and equipping of our temporary casino and our permanent casino and resort. As of September 30, 2024, approximately $1.10 billion of this commitment remains. The actual cost of the development may exceed this minimum capital investment amount. In addition, land acquisition costs and financing costs, among other types of costs, are not counted toward meeting this minimum capital investment amount.

Additionally, as part of the design, development and construction of our temporary casino and our permanent casino and resort, the Host Community Agreement requires us to employ approximately:

- 2,900 individuals in the construction of our temporary casino;
- 3,000 individuals in the construction of our permanent casino and resort; and
- 2,500 individuals in the construction of the hotel tower.

Once operational, the Host Community Agreement requires us to employ:

- approximately 550 individuals in our temporary casino; and
- approximately 3,000 individuals in our permanent casino and resort.

In connection with the entry into the Host Community Agreement with the City of Chicago, we were required to make a one-time payment to the City of Chicago equal to $40.0 million, and are required to make ongoing payments of $4.0 million per year beginning on September 9, 2023, the date that our temporary casino opened to the general public. Additionally, in connection with the Host Community Agreement, Bally’s Corporation was required to provide the City of Chicago with a guaranty whereby the Company is required to have and maintain available financial resources in an amount reasonably sufficient to fund all amounts necessary to allow us to meet our obligations under the Host Community Agreement and, to the extent we fail to perform any obligations thereunder, assume full responsibility for and perform our obligations in accordance with the terms, covenants and conditions set forth in the Host Community Agreement. The guaranty also required that we indemnify and hold the City of Chicago harmless from and against any and all loss, cost, damage, injury, liability, claim or reasonable and documented expense the City of Chicago may suffer or incur by reason of any nonpayment or nonperformance of any of our obligations.

The Illinois Gambling Act requires that, as an applicant for an owner’s license to operate the casino, we provide evidence of our best efforts to attain certain ownership goals and that the Illinois Gaming Board take our ownership into account when determining whether to grant that license. Consistent with that requirement, our Host Community Agreement with the City of Chicago requires that 25% of Bally’s Chicago OpCo’s equity must be owned by persons that have satisfied the Class A Qualification Criteria. The Class A Qualification Criteria include, among other criteria, that the person:

- if an individual, must be a woman;

- if an individual, must be a Minority, as defined by MCC 2-92-670(n) (see below); or
- if an entity, must be controlled by women or Minorities.

MCC 2-92-670(n), in turn, defines Minority as:

- any individual in the following racial or ethnic groups:
  - African-Americans or Blacks (including persons having origins in any of the Black racial groups of Africa);
  - American Indians (including persons having origins in any of the original peoples of North and South America (including Central America) and who maintain tribal affiliation or community attachment);
  - Asian-Americans (including persons whose origins are in any of the original peoples of the Far East, Southeast Asia, the islands of the Pacific or the Northern Marianas or the Indian Subcontinent);
  - Hispanics (including persons of Spanish culture with origins in Mexico, South or Central America or the Caribbean Islands, regardless of race); and
- individual members of other groups, including but not limited to Arab-Americans, found by the City of Chicago to be socially disadvantaged by having suffered racial or ethnic prejudice or cultural bias within American society, without regard to individual qualities, resulting in decreased opportunities to compete in Chicago area markets or to do business with the City of Chicago. Qualification under this clause is determined on a case-by-case basis and there is no exhaustive or definitive list of groups or individuals that the City of Chicago has determined to qualify as Minority under this clause. However, in the event the City of Chicago identifies any additional groups or individuals as falling under this clause in the future, members of such groups would satisfy the Class A Qualification Criteria.

If there are any changes to the groups included in MCC 2-92-670(n), and consequently to the Class A Qualification Criteria, prior to the closing of this offering, we will communicate such changes by filing an amendment to this prospectus with the SEC.

In addition, the Host Community Agreement requires that 40% of seats on our Board be reserved for Minorities or women.

The Host Community Agreement provides that in the event that 75% of the gaming area of our permanent casino and resort is not open to the general public by September 10, 2026 (the "Completion Deadline"), subject to any extensions as a result of Force Majeure Periods (as defined in the Host Community Agreement), we must pay the City of Chicago an amount, calculated on a daily basis, equal to the product of (i) 85% of the projected local tax revenue multiplied by (ii) the number of days since the Completion Deadline, until 75% of the gaming area of our permanent casino and resort opens to the general public; *provided* that any local tax revenue actually received for such period shall not subtracted from any amounts due to the City of Chicago.

In addition, the Host Community Agreement also provides that in the event that 90%, taken as a whole, of our permanent casino and resort is not completed (as evidenced by the issuance of a temporary certificate of occupancy by the City of Chicago's Department of Buildings) by the Completion Deadline, subject to any extensions as a result of Force Majeure Periods (as defined in the Host Community Agreement), we must pay the City of Chicago an amount, calculated on a daily basis, equal to the product of (i) 10% of the projected local tax revenue multiplied by (ii) the number of days since the Completion Deadline, until 90%, taken as a whole, of our permanent casino and resort is completed (as evidenced by the issuance of a temporary certificate of occupancy by the City of Chicago's Department of Buildings).

If we show we timely commenced and have been diligently pursuing the construction of our permanent casino and resort, the City of Chicago may consent up to two three-month extensions of the Completion Deadline, followed by one two-month extension of the Completion Deadline, for a possible total extension of eight months. The first extension shall be consented to automatically by the City of Chicago and any subsequent consent shall not be unreasonably withheld, conditioned or delayed.

Gaming License

In order to operate our casino and resort, we will be required to obtain and hold licenses issued by the Illinois Gaming Board. The Host Community Agreement provides us with the exclusive recommendation for licensing to the Illinois Gaming Board for the City of Chicago casino license. On October 26, 2023, we obtained a four-year owners license from the Illinois Gaming Board. This license will expire on October 25, 2027 and may be renewed for subsequent four-year terms. The license issued to casino operators is referred to as an "owners license" and is issued by the Illinois Gaming Board for a period of up to four years. The owners license may then be renewed for subsequent four-year terms. On October 26, 2023, the Illinois Gaming Board also approved extending the operation of our temporary casino until September 9, 2026. The fee for the issuance or renewal of the owners license is $250,000. The license obligates the recipient to adhere to the standards and requirements set forth in the Illinois Gaming Act and the Illinois Gaming Board Rules. The Illinois Gaming Board has the authority to limit the term of the license at issuance or any renewal and may dictate additional restrictions upon the license.

Community Investment Program

We have agreed with the City of Chicago that we will commit to hiring residents of Chicago with various workforce development organizations in both the construction of our temporary casino and our permanent casino and resort, but also with respect to employment once our casinos are operational.

We are committed to the following hiring targets:

- we are required to provide preference to Chicago-based businesses, if possible;
- in the hiring of contractors for the construction of our temporary casino and our permanent casino and resort:
  - a minimum of 36% of funds need to go towards Minority-owned businesses;
  - a minimum of 10% of funds need to go towards women-owned businesses;
- in the hiring of workers to build our temporary casino and our permanent casino and resort:
  - a minimum of 50% of total hours on our permanent casino and resort must be performed by Chicago residents;
  - a minimum of 15.5% of construction work must be performed by residents of socially and economically disadvantaged areas;
- in the sourcing of goods and services and other vendor spending in connection with our temporary casino and our permanent casino and resort:
  - a minimum of 26% of funds need to go towards Minority-owned businesses;
  - a minimum of 10% of funds need to go towards women-owned businesses;
  - a minimum of 2% of funds need to go towards disadvantaged businesses, including businesses by owners that have historically been disadvantaged; and
  - a minimum of 3% of funds need to go towards veteran- or service-disabled veteran-owned businesses; and
- a target goal of 60% Minority hiring in the operation of our casino.

Under the community investment program, we intend on reducing the disparities that exist in the initial procurement process of goods and services by requiring that all contracts and bids in excess of $10,000 be issued via a competitive bidding process. Additionally, we intend to list all employment and procurement opportunities on our website. We intend on hosting an annual diversity vendor fair on the premises of our permanent casino and resort, and intend on hiring a third-party expert in sourcing and contracting vendors to leverage their network of vendors, suppliers and individuals seeking jobs to push notifications, recruit

bidders and support us in the process.

We have also agreed with the City of Chicago that we will commit to providing training opportunities for various roles in our casino and resort, including for table game dealers and F&B workers, and work to set up job fairs in order to attract potential applicants to employment opportunities in our casino and resort.

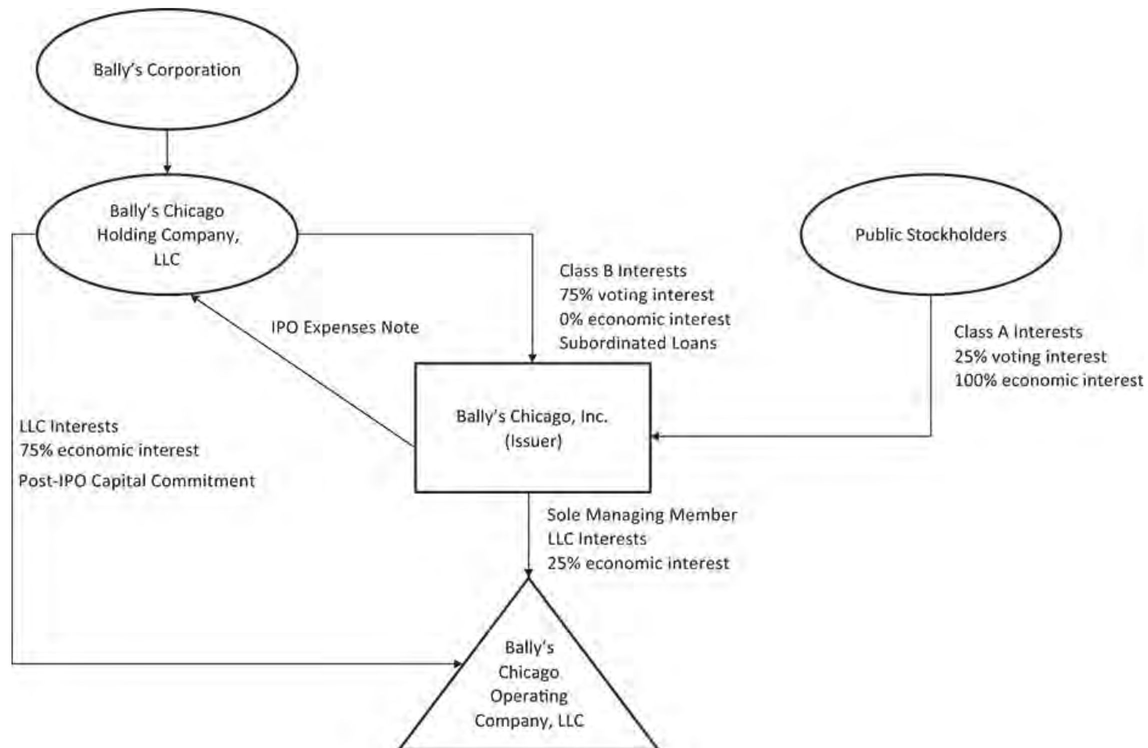
Our Community First Programs

As a member of the Bally's organization, we intend to adhere to the Bally's community-first policy, which is a fundamental and defining element of who we are as a company. We intend to build strong, lasting partnerships with local residents and businesses in Chicago.

As part of our community-first policy, we intend to implement programs to provide individuals with gaming addiction with support services, both offsite and onsite, including treatment of compulsive behavior disorders. We also intend to take extraordinary precautions to ensure that minors are prohibited from participating in any of the gaming activities at our casino and resort. Additionally, we intend to take precautions to ensure that our marketing practices do not disproportionately target disadvantaged communities, and will work to provide best-in-class social programs geared towards addressing gambling addiction throughout the Chicago area.

Corporate Structure

The below depicts our organizational structure upon the closing of this offering and the concurrent private placements and the consummation of the Transactions.



Marketing

In order to be competitive, we and Bally's Corporation intend on holding various promotions and special events at our casino and resort, including operating a loyalty program for gaming patrons. In addition, we anticipate participating in cross marketing and sales campaigns developed by Bally's Corporation, including across geographic zones and countries. We believe this arrangement will significantly enhance our casino and report's ramp-up period, reduce marketing costs through scale

synergies and enhances cross-revenue opportunities.

Additionally, we intend to devote considerable resources to attracting non-gaming customers to our casinos and resort in order to grow our customer base over time by undertaking a variety of advertising and marketing activities.

Bally's Corporation employs a public relations and advertising team that is partially dedicated to our casino and resort and that intends on cultivating media relationships, promoting the Bally's brand and directly liaising with customers within select geographies in the Midwest in order to explore media opportunities in various markets. We plan our advertising activities to be rolled out through a variety of local and regional media platforms, including digital, social media, print, television, online, outdoor, on property (as permitted under Illinois law and any other applicable local laws) as well as collateral and direct mail pieces. We also intend to engage celebrities for marketing activities. We believe that these marketing and incentive programs will increase our brand awareness and drive further visitation to our casino and resort.

Competition

The gaming industry is characterized by a high degree of competition among a large number of operators, including land-based casinos, riverboat casinos, dockside casinos, video lotteries, traditional lotteries, VGTs at taverns in certain states, sweepstakes and poker machines not located in casinos, Native American gaming, emerging varieties of iGaming and daily fantasy sports gaming, increased sports betting and other forms of gaming in the United States. In a broader sense, our gaming operations face competition from many leisure and entertainment activities, including, for example: shopping, athletic events, television and movies, concerts and travel. Legalized gaming is currently permitted in various forms in different parts of the United States, in several Canadian provinces and on many lands taken into trust for the benefit of certain Native Americans in the United States and First Nations in Canada. We face significant competition in the Chicago market. Such competition may intensify if new gaming operations open or existing competitors expand their operations. For example, Hawthorne Race Course has submitted an application for a gaming license to open a "racino" approximately 10 miles from our permanent casino and resort site. Our Chicago casino and resort will compete directly with other gaming properties in Illinois, as well as in adjacent states such as Indiana and Wisconsin. In some instances, particularly with Native American casinos, our competitors pay substantially lower taxes or no taxes at all. We believe that increased legalized gaming in other states, particularly in areas close to our Chicago casino and resort and the development or expansion of Native American gaming in Illinois, could create additional competition for us and could adversely affect our operations or future development projects. See "*Risk Factors*" for more information on competition.

We consider the following operators our current direct competitors:

Property	Operator	Location	Year of Opening	Existing / Development	# Slots	# Tables	Poker Tables	S.F. Gaming Area	# Hotel Keys	~Miles to Bally's Chicago
American Place	Full House Resorts	Waukegan, IL	2023	Development	937	43	No	70,000	—	41
Ameristar Casino East Chicago	Penn Entertainment / Gaming & Leisure Properties	East Chicago, IN	1997	Existing	1,000	60	No	56,000	288	25
Blue Chip Casino Hotel Spa	Boyd Gaming	Michigan City, IN	1997	Existing	1,668	64	Yes	65,000	486	60
Four Winds New Buffalo	Four Winds Casinos	New Buffalo, MI	2007	Existing	2,477	47	No	130,000	415	71
Four Winds Casino South Bend	Four Winds Casinos	South Bend, IN	2018	Existing	1,425	12	Yes	175,000	—	90
Grand Victoria Casino Elgin	Caesars Entertainment	Elgin, IL	1994	Existing	745	45	Yes	29,850	—	39
Hard Rock Casino Rockford	Hard Rock International	Rockford, IL	2021	Development	582	10	No	20,000	—	77
Hard Rock Casino Northern Indiana	Hard Rock International	Gary, IN	2021	Existing	2,000	127	No	N/A	—	34
Hard Rock Casino Kenosha	Hard Rock International	Kenosha, WI	TBD	Development	1,500	50	TBD	TBD	150	64
Harrah's Joliet	Caesars Entertainment	Joliet, IL	1993	Existing	760	20	Yes	39,000	200	41
Ho-Chunk Casino Beloit	Ho-Chunk Nation of Wisconsin	Beloit, IL	~2024	Development	1,650	44	TBD	TBD	312	95

Hollywood Casino Aurora	Penn Entertainment	Aurora, IL	1993	Existing	836	41	Yes	41,384	100	40
Hollywood Casino & Hotel Joliet	Penn Entertainment	Joliet, IL	2010	Existing	921	14	No	50,000	—	49

Property	Operator	Location	Year of Opening	Existing / Development	# Slots	# Tables	Poker Tables	S.F. Gaming Area	# Hotel Keys	~Miles to Bally's Chicago
Horseshoe Hammond	Caesars Entertainment	Hammond, IN	1996	Existing	1,800	60	Yes	350,000	—	18
Potawatomi Hotel & Casino	Forest County Potawatomi Community	Milwaukee, WI	1991	Existing	2,000	118	Yes	150,000	500	89
Rivers Casino Des Plaines	Churchill Downs Incorporated / Rush Street Gaming	Des Plaines, IL	2011	Existing	1,517	120	Yes	78,500	—	15
Wind Creek Chicago Southland	Wind Creek Hospitality	East Hazel Crest, IL	~2024	Development	1,400	56	Yes	73,000	252	27
Illinois Distributed Gaming Video Gaming Terminals "VGTs"	N/A	N/A	N/A	N/A	48,176	—	—	—	—	—

Based on publicly available information, including reports of the Illinois Gaming Board and the Indiana Gaming Commission, properties' websites, third-parties' websites and SEC filings.

Government Gaming Regulation

The Illinois Gambling Act established the Illinois Gaming Board and authorized up to ten casino licenses. Currently, all ten original licenses are active. In July 2009, Public Act 96-0034 became law, creating the Illinois Video Gaming Act. Since 2009, Video Gaming has rapidly expanded across Illinois. On June 28, 2019, Illinois Governor J.B. Pritzker signed the gaming expansion bill into law which permits sports wagering, including online/mobile, a Chicago casino, five additional casinos, slots and table games at racetracks, possible slots at the Chicago airports, an additional VGT at each establishment and in some instances five additional VGTs, and the opportunity for existing casinos to move to land-based operations or purchase additional gaming positions. As of the end of November 2024, there were over 48,000 VGTs spread throughout 8,600 licensed establishments.

The market for gaming, hotel and other entertainment facilities in Chicago is rapidly evolving but remains in its infancy. While Illinois is undergoing expansion since various states started to liberalize gaming (including sports betting), Chicago is still not known as a location for gaming tourism and, therefore, subject to significant competition from both regional and national gaming centers. An underserved and untapped market, the City of Chicago is served by the Rivers Casino in a suburb of Chicago, the northwestern Indiana casinos, a retail sports book at the United Center, a retail sports book opening at Wrigley Field in 2023 and the Waukegan casino.

Other Laws and Regulations

Our businesses are subject to various laws, rules, and regulations in addition to gaming regulations. These laws, rules and regulations include restrictions and conditions concerning alcoholic beverages, food service, smoking, environmental matters, employees and employment practices, currency transactions, taxation, zoning and building codes and marketing and advertising. Such laws and regulations could change or could be interpreted differently in the future, or new laws and regulations could be enacted. Material changes to any of the laws, rules, regulations or ordinances to which we are subject, new laws or regulations or material differences in interpretations by courts or governmental authorities could adversely affect our operating results.

The sale of alcoholic beverages is subject to licensing by the Liquor Control Commission and regulation by applicable local regulatory agencies. All licenses are revocable and are not transferable. The agencies involved have full power to limit, condition, suspend or revoke any license, and any disciplinary action could, and revocation would, have a material adverse effect upon our operations.

Employees and Human Capital Resources

Labor Relations

As of December 31, 2024, we had approximately 670 employees. Most of our employees are based in Illinois. Approximately 410 of our employees are represented by a labor union and are subject to collective

bargaining agreements that generally have three-or-five-year terms. We consider our relationships with our employees to be good and have not experienced any interruptions of operations due to labor disagreements.

Seasonality

Casino and hotel operations in our markets are subject to seasonal variation. Seasonal weather conditions can frequently adversely affect transportation routes to our properties and may cause flooding and other effects that result in the closure of our properties. As a result, unfavorable seasonal conditions could have a material adverse effect on our operations.

Environmental, Social and Corporate Governance

Our approach to sustainability is underpinned by three pillars: (i) player well-being, (ii) people engagement and (iii) building a brighter future.

Player Well-Being

- Bally's Corporation is a member of the American Gaming Association's "Have A Game Plan" campaign
- 100% of team members undertake Responsible Gambling training annually
- Bally's donated $600,000 to the International Center for Problem Gambling for research into the effectiveness and adaptation of Responsible Gambling tools and Gambling by younger adults
- Bally's Corporation is a founding member of the Responsible Gaming Operators group, committed to 12 principles of Responsible Gambling
- Parent company is rolling out a Responsible Gambling Ambassador program in 2023

People Engagement

- Advance a distinct culture where capabilities, genders, ethnicity, and ages are respected, and cultivated as a strength
- Create an accessible, diverse, and inclusive work environment with policies, procedures, and systems that support and encourage the principles of diversity, equity, and inclusion
- Engage and include business partners that reflect diversity within the ecosystems in which we operate
- Drive community engagement with the educational entities
- Collaborate with local membership and affinity groups, ethnic chambers and diverse business and civic organizations and their DEI initiatives
- Ensure partnerships exist with organizations that promote "accessibility" and volunteerism or civic responsibility and transition
- Commit to charitable giving that stimulates social and impact investment

Building a Brighter Future

- Creation of the Bally's Foundation in North America with $1.8 million to be donated in 2023 to help support local communities
- Bally's Corporation is committed to a near-term science-based target reaffirming its intent to achieve zero net carbon status
- Dedicated to reducing its direct and non-renewable energy usage

Facilities

Our principal office is located at 640 N LaSalle, Suite 460, Chicago, Illinois 60654 where we lease approximately 18,233 square feet of office space under a lease agreement that terminates on February 28,

2027. We believe that our facilities are sufficient to meet our current needs and that suitable additional space will be available as and when needed.

In November 2022, we entered into a sublease agreement for approximately 132,600 square feet of space in Chicago, Illinois for the development of our temporary casino. The current term of this lease expires November 30, 2026, with an option to extend for two separate renewal terms of 12 months each.

In November 2022, we also entered into a ground lease agreement for approximately 30-acres in Chicago, Illinois for the development of our permanent casino and resort. The current term of this lease expires 99 years after the lease commencement date and can be extended for 10 separate renewal terms of 20 years each. We have the option to repurchase the land associated with the ground lease at a fixed capitalization rate during years four through eight of the lease term.

Legal Proceedings

We are not currently a party to any material legal proceedings.

MANAGEMENT

Executive Officers, Directors and Director Nominees

The following table sets forth information regarding our executive officers, directors and director nominees as of the date of this prospectus:

Name	Age	Position(s)
Executive Officers		
Ameet Patel(1)	58	President and Director
H. C. Charles Diao	67	Chief Financial Officer
Christopher Jewett	37	Chief Development Officer
Kim M. Barker(1)	57	Secretary and Director
Non-Employee Board Members		
Wanda Y. Wilson	74	Chairperson of the Board
Renee Bradford(2)	74	Director Nominee
Blanton Canady(2)	76	Director Nominee
Ezequiel (Zeke) Flores(2)	46	Director Nominee
Edward Lou(2)	53	Director Nominee
Sharon Thomas Parrott(2)	75	Director Nominee

(1) Individual has given notice of intention to resign from position as member of our Board effective upon the closing of this offering

(2) Individual has been appointed to serve as a member of our Board effective upon the closing of this offering

Executive Officers

Ameet Patel has served as our President since May 2022 and as a member of our Board since November 2024. Mr. Patel has over 20 years of leadership and operating experience in the casino and gaming industry. He has also served as Senior Vice President & Regional General Manager — West of our parent company, Bally's Corporation (NYSE: BALY), since October 2021. From July 2019 to October 2021, he was an independent consultant, focusing on operations of gaming companies. Prior to that, from September 2001 to June 2019, Mr. Patel held various leadership positions at Penn National Gaming, Inc. (NASDAQ: PENN) and its subsidiaries, serving most recently as Senior Vice President Regional Operations. Mr. Patel holds a Bachelor of Commerce from Maharaja Sayajirao University, India, and a Master of Business Administration from Thomas Jefferson University. He is also a certified public accountant. We believe Mr. Patel is qualified to serve on our Board because of his business and leadership experience in the casino and entertainment industry.

H. C. Charles Diao has served as our Chief Financial Officer since November 2024. Mr. Diao has also served as Senior Vice President, Finance and Corporate Treasurer of our parent company, Bally's Corporation (NYSE: BALY), since June 2023. From April 2017 to June 2021, Mr. Diao served as Senior Vice President of Finance, Corporate Development and Corporate Treasurer of DXC Technology Co (NYSE: DXC), and previously as Vice President and Corporate Treasurer of its predecessor, Computer Sciences Corp., from 2012 to 2017. From 2008 to 2012 and from 2021 to 2023, Mr. Diao was Founder and Managing Director of Diao & Co., LLC, which provides strategic and mergers and acquisition advisory services to corporate clients, and from 2008 to 2012, was Chief Investment Officer of Diao Capital Management LLC, an investment management affiliate that managed alternative investments on behalf of institutional family offices. Until 2008, Mr. Diao was a Senior Managing Director at Bear Stearns & Co. Mr. Diao has served as a member of the board of directors at Synechron Holdings Ltd., a global provider of

digital transformation, outsourced software development, and technology consulting services, since April 2022, at Griffon Corporation (NYSE: GFF) since February 2022, and at Turning Point Brands, Inc. (NYSE: TPB) since

November 2012. He was also previously a member of the board of directors of Media General Inc.(NYSE: MEG) from May 2012 to January 2017. He holds a Bachelor of Science in Engineering from Princeton University and a Master of Business Administration from Harvard Business School.

Christopher Jewett has served as our Chief Development Officer since November 2024. Mr. Jewett has over 12 years of experience in corporate finance, mergers and acquisitions, and business development in the gaming sector. He has also served as Senior Vice President of Corporate Development at our parent company, Bally's Corporation (NYSE: BALY), since December 2020. Prior to joining Bally's, he advanced through roles of increasing responsibility at Delaware North Companies, Inc., a multinational food service and hospitality company, from May 2011 to December 2020, most recently as Director of Finance (Gaming) from October 2020 to December 2020 and previously as Director, Corporate Development (Gaming) from March 2018 to October 2020. Mr. Jewett holds a Bachelor of Science in Business Management and a Master of Business Administration in Finance from Canisius University.

Kim M. Barker has served as our Secretary and as a member of our Board since November 2024. Ms. Barker has also served as Executive Vice President and Chief Legal Officer of our parent company, Bally's Corporation (NYSE:BALY), since December 2022. Prior to joining Bally's, she served as Vice President, Diversity & Inclusion of International Game Technology (NYSE: IGT) from January 2018 to December 2022. Prior to that, Ms. Barker was General Counsel and Vice President, Legal and Regulatory Compliance of Northstar Lottery Group, LLC from February 2011 to January 2018 and General Counsel of the Illinois Student Assistance Commission from February 2007 to February 2011. She currently serves on the board of directors of The Providence Mutual Fire Insurance Company, the American Gaming Association, the International Association of Gaming Advisors and the Community College of Rhode Island Foundation. She is also co-chair of African Americans in Gaming. Ms. Barker holds a Bachelor of Arts in American Studies from Yale University and a Juris Doctor from New York University School of Law. We believe Ms. Barker is qualified to serve on our board of directors because of her business and leadership experience in the casino and entertainment industry.

Non-Executive Directors

Wanda Y. Wilson has served as Chairperson of our Board since November 2024. She has also served as an independent director at Bally's Corporation (NYSE: BALY) since May 2019. She presently serves as the Chairman of Bally's Compliance Committee and is a member of the Audit, Compensation and Nominating and Governance Committees. Additionally, she has served on boards of non-public companies as well as several non-profit boards and currently serves on the Board of Advisors at the University of Minnesota Walter Mondale School of Law. Ms. Wilson has nearly 30 years of executive management experience in the public gaming industry. In 2019, Ms. Wilson retired from her role as the Chief Operating Officer, General Counsel and Secretary of the Tennessee Education Lottery Corporation ("TEL"). Ms. Wilson joined the TEL in 2003 as Executive Vice President and General Counsel and was promoted to Chief Operating Officer in 2013. Prior to joining TEL, Ms. Wilson was employed at the Georgia Lottery Corporation, where she served as the Senior Vice President and General Counsel for ten years. Prior to practicing law in the gaming industry, Ms. Wilson served in the legal departments of several federal and local government entities including the Chicago Housing Authority, where she specialized in the management of the authority's FHA bond portfolio. Ms. Wilson has also worked in public finance as an investment banker with EF Hutton and the Northern Trust Bank. Ms. Wilson has received several awards for her contributions to the legal profession and the public gaming industry, including the *Lifetime Achievement Award* from the Public Gaming Research Institute, the *Powers Award for Performance Excellence* from the North American Association of State and Provincial Lotteries and the *Individual Star Diversity Award of Excellence* from Corporate Counsel Women of Color. She was also named one of the 50 most powerful African Americans in Tennessee by Business Tennessee. Ms. Wilson holds a Bachelor of Science from University of Illinois at Urbana-Champaign and a Juris Doctor from the University of Minnesota Law School. We believe Ms. Wilson is qualified to serve on our Board due to her extensive leadership, executive, managerial, and business experience in the casino and entertainment industry.

Director Nominees

Renee Bradford is currently a director nominee and will become a member of our Board at the closing of this offering. Ms. Bradford is the founder and president of C'est Si Bon Catering Ltd., a boutique

catering

and event firm which opened in Hyde Park near the University of Chicago campus almost 35 years ago. Ms. Bradford has also been instrumental in assisting other small business owners in developing financial and business plans, enabling them to successfully navigate commercial loan and government grant processes. Prior to entering the world of entrepreneurship, Ms. Bradford worked in sales, marketing, and product management at Quaker Oats, Illinois Bell, Schering Plough, and Interstate Material Corporation. Ms. Bradford is a longtime resident of the Bronzeville neighborhood and is active in civic and community organizations. Ms. Bradford holds a Bachelor of Science in Psychology from the University of Wisconsin, a Master of Arts in Community Mental Health from Northeastern Illinois University, a Master of Business Administration in Marketing and Finance from Columbia University, and a Certificate in Entrepreneurship from Goldman Sachs 10,000 Small Business Program. We believe Ms. Bradford is qualified to serve on our Board due to her operational background and her knowledge of strategy, finance, and management.

Blanton Canady is currently a director nominee and will become a member of our Board at the closing of this offering. Mr. Canady is a Joint Venture partner with the Hudson Group at O'Hare International Airport. He was the owner-operator of several highly successful McDonalds restaurants until retirement in 2020. During his tenure as a McDonald's franchisee, Mr. Canady became the first African American President of the McDonald's Owners of Chicago and Northwest Indiana Prior to his association with McDonalds, Mr. Canady enjoyed a successful marketing and financial management career with several corporations including Illinois Bell, Xerox, and American Hospital Corporation. Mr. Canady is a Joint Venture Partner at Chicago's O'Hare and Midway International Airports, and also has an ownership interest with Concessions at Los Angeles and Seattle International Airports with Concord Collective Partners. Mr. Canady is active in civic and charitable ventures and has served on several boards, including the Midwest Association of Sickle Cell Anemia, Northern Trust Advisory Board, Near South Side Planning Board, and the Mayor's Committee for a Clean Chicago. He was named one of ten Outstanding Business and Professional Honorees by Blackbook's Edwin C. Berry National Business and Awards and is currently listed as a History Maker for Business. Mr. Canady holds a Bachelor of Science in Marketing and Finance from the University of Illinois and a Master of Business Administration in Marketing and Finance from the University of Chicago. We believe Mr. Canady is qualified to serve on our Board due to his operational background and his knowledge of strategy, finance, and management.

Ezequiel (Zeke) Flores is currently a director nominee and will become a member of our Board at the closing of this offering. Mr. Flores is Founder and CEO of Flying Concessions, an industry leading airport retail, food, and beverage concessionaire. Mr. Flores served on gubernatorial transition teams for Illinois Governor Pritzker in 2019 and Illinois Governor Rauner in 2015. Mr. Flores began his career at the accounting firm Arthur Andersen. He later joined Sara Lee and was a key manager in the successful spin-off of Hanesbrand, Inc. He later founded Flores Retail Corporation which focused on public-private partnerships. Mr. Flores is an operating partner of Centre Partners and a board member for Sabrosura, a portfolio company focused on the large and growing Latino foods category. He has also served on Boards of the Archdiocese of Chicago Catholic Schools, Museum of Science and Industry, DePaul University, and the Illinois State Board of Investment. Mr. Flores has been recognized by numerous institutes and publications and received the 2016 Latino Leaders Maestro Award for Entrepreneurship. He is currently a member of the Latino Corporate Directors Association and the Economic Club of Chicago. Mr. Flores holds a Bachelor of Science in Accounting from DePaul University and a Certificate in Corporate Governance from Northwestern University and completed the Stanford University Latino Entrepreneurship Initiative's Scaling Program. We believe Mr. Flores is qualified to serve on our Board due to his knowledge of accounting and finance and extensive business experience.

Edward Lou is currently a director nominee and will become a member of our Board at the closing of this offering. Mr. Lou has over 30 years of experience as an internet entrepreneur and software investor. He is a Venture Partner at Mercury Fund and Corazon Capital. He is also co-founder of CodaPet, a network of veterinarians that provide end-of-life veterinary care at home. He is a co-founder of Shiftgig, the mobile app that connects hourly labor with business shifts. Mr. Lou is also co-founder and board director of One Goal, a non-profit that improves college acceptance and persistence by empowering urban high school students through a teacher-led three-year fellowship. Mr. Lou has received numerous awards for his business and philanthropic endeavors. He was recognized as one of Crain's Chicago Business' 40 Under 40 in 2010, as Chicago United's Business Leader of Color in 2011, as a Forbes Up and Comer in 2012, as Techweek100 in 2015, as Crain's Chicago Business' Tech 50 in 2016, as E&Y's Entrepreneur of the Year Midwest finalist

in 2016, and as an Edmund Hillary Fellow in 2022. Mr. Lou holds a Bachelor of Science in Mechanical Engineering and a Master of Business Administration in Finance from Washington University in Saint Louis. We believe Mr. Lou is qualified to serve on our Board due to his extensive business and leadership experience.

Sharon Thomas Parrott is currently a director nominee and will become a member of our Board at the closing of this offering. Ms. Parrott is a retired Senior Vice President of External Relations and Global Responsibility for Chicago-based Adtalem Global Education (formerly DeVry Education Group) where she directed government and international relations, internal audit, corporate compliance, global communications, investor relations, and community outreach. She began her career as a Chicago Public Schools teacher and held faculty and administrative positions at several Chicago area colleges and universities. Ms. Parrott currently serves on the Boards of Trustees for Rasmussen University and Ross University Schools of Medicine and Veterinary Medicine. She formerly served on the boards of One Goal, a college access and success network and The College Board. She was named as 100 Women Making A Difference in Chicago by Crain's Chicago Business. Ms. Parrott holds a Bachelor of Arts and a Master of Arts in History from the University of Illinois. We believe Ms. Parrott is qualified to serve on our Board due to her understanding of the demographics in which we operate and the diversity in background and experience she provides to our Board.

Board Composition and Election of Directors

Upon the closing of this offering, our Board will consist of six directors. Our amended and restated certificate of incorporation to be in effect prior to the closing of this offering also provides that our directors will be elected at each annual meeting of the stockholders to serve one-year terms. In addition, the Host Community Agreement requires that 40% of seats on our Board be reserved for Minorities or women.

The number of directors constituting our Board is permitted to be established only by a resolution adopted by a majority of our whole Board, and only our Board is authorized to fill vacant directorships, including newly created directorships. When considering whether directors have the experience, qualifications, attributes or skills, taken as a whole, to enable our Board to satisfy its oversight responsibilities effectively in light of our business and structure, the Board focuses primarily on each person's background and experience as reflected in the information discussed in each of the directors' individual biographies set forth above. We believe that our directors provide an appropriate mix of experience and skills relevant to the size and nature of our business.

Director Independence

Because our shares of stock are not, and following this offering will not be, listed on a national securities exchange, we are not required to maintain a board consisting of a majority of independent directors.

There are no family relationships among any of our directors, director nominees or executive officers.

Compensation committee interlocks and insider participation

None of our executive officers currently serve, or in the past fiscal year have served, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our board of directors.

Code of business conduct and ethics

Bally's Corporation's Code of Business Conduct and Ethics applies to our directors, officers, and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions.

Limitations on Officers' and Directors' Liability and Indemnification Agreements

Our amended and restated certificate of incorporation to be in effect prior to the closing of this offering limits our directors' and officers' liability to the fullest extent permitted under the Delaware

General Corporation Law. Consequently, our directors and officers will not be personally liable to us or holders of our stock for monetary damages for any breach of their respective fiduciary duties, except liability for:

- any breach of the director's or officer's duty of loyalty to us or holders of our stock;
- any act or omission by a director or officer not in good faith or that involves intentional misconduct or a knowing violation of law;
- with respect to a director, unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law;
- any transaction from which the director or officer derived an improper personal benefit; or
- an officer in any action by or in the right of the Company.

If Delaware law is amended to authorize corporate action further eliminating or limiting the personal liability of directors or officers, then the liability of our directors and officers will be eliminated or limited to the fullest extent permitted by Delaware law, as so amended. Our amended and restated certificate of incorporation to be in effect prior to the closing of this offering does not eliminate a director's or officer's duty of care and, in appropriate circumstances, equitable remedies, such as injunctive or other forms of non-monetary relief, remain available under Delaware law. This provision also does not affect a director's or officer's responsibilities under any other laws, such as the federal securities laws or other state or federal laws. Under our amended and restated certificate of incorporation and amended and restated bylaws, we will also be empowered to enter into indemnification agreements with our directors, officers, employees and other agents and to purchase insurance on behalf of any person whom we are required or permitted to indemnify.

In addition, our amended and restated bylaws to be in effect prior to the closing of this offering, require us to indemnify and hold harmless (except in limited circumstances), to the fullest extent permitted by the DGCL as it presently exists or may hereafter be amended, any director or officer of the Company (a "covered person") who was or is made or is threatened to be made a party to or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding") by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the Company or, while serving as a director or officer of the Company, is or was serving at the request of the Company as a director, officer, employee, trustee, member, manager or agent of another corporation or of a partnership, limited liability company, joint venture, trust, enterprise or non-profit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) actually and reasonably incurred by such person in connection with any such Proceeding. Furthermore, our amended and restated bylaws require us to the fullest extent not prohibited by applicable law pay the expenses (including attorneys' fees) incurred by any covered person, in defending any Proceeding in advance of its final disposition; provided, however, that such payment of expenses in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the person to repay all amounts advanced if it should be ultimately determined by a final judicial decision of a court of competent jurisdiction from which there is no further right to appeal that the person is not entitled to be indemnified. In addition, we will enter into indemnification agreements with each of our current directors, officers and certain employees before the closing of this offering. These agreements provide for the indemnification and advancement of expenses of our directors, officers and certain employees for all reasonable expenses and liabilities incurred in connection with any action or proceeding brought against them by reason of the fact that they are or were our agents. We believe that these provisions in our amended and restated certificate of incorporation to be in effect prior to the closing of this offering and amended and restated bylaws to be in effect prior to the closing of this offering and indemnification agreements are necessary to attract and retain qualified persons as directors and officers. Furthermore, we have obtained director and officer liability insurance to cover liabilities our directors and officers may incur in connection with their services to us. This description of the limitation of liability and indemnification provisions of our amended and restated certificate of incorporation to be in effect prior to the closing of this offering, our amended and restated bylaws to be in effect prior to the closing of this offering and our indemnification agreements is qualified in its entirety by reference to these documents, each of which is attached as an exhibit to this registration statement.

The limitation of liability and indemnification and advancement of expenses provisions in our amended and restated certificate of incorporation to be in effect prior to the closing of this offering and amended and restated bylaws to be in effect prior to the closing of this offering may discourage holders of our stock from bringing a lawsuit against directors for breach of their fiduciary duties. They may also reduce the likelihood of derivative litigation against directors and officers, even though an action, if successful, might benefit us and our stockholders. Holders of our stock may be harmed to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act, and is, therefore, unenforceable. There is no pending litigation or proceeding naming any of our directors or officers as to which indemnification is being sought, nor are we aware of any pending or threatened litigation that may result in claims for indemnification by any director or officer.

SUBORDINATED LOANS

In connection with this offering and the concurrent private placements, we intend to enter into a subordinated loan agreement with Bally's Chicago HoldCo pursuant to which Bally's Chicago HoldCo, as lender, will make Subordinated Loans to us, as borrower, in various tranches and in varying amounts based on the total number of shares sold in this offering and the concurrent private placements. None of the new investors purchasing Class A Interests in this offering and the concurrent private placements will be a party to the subordinated loan agreement, or a borrower or lender under the Subordinated Loans. We intend to enter into such subordinated loan agreement for the purpose of providing funding to support an investment in our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests by prospective public shareholders by reducing the purchase price required to be funded by such prospective investors. The following is a summary of the material terms of such subordinated debt. The summary is qualified in its entirety by reference to the full text of the subordinated loan agreement pursuant to which the debt is being incurred.

General. In connection with this offering and the concurrent private placements, we intend to enter into a subordinated loan agreement with Bally's Chicago HoldCo pursuant to which we intend to incur $ aggregate amount of Subordinated Loans. For each Class A-1 Interest sold in this offering and the concurrent private placements, we will incur $24,750 of Subordinated Loans from Bally's Chicago HoldCo. For each Class A-2 Interest sold in this offering and the concurrent private placements, we will incur $22,500 of Subordinated Loans from Bally's Chicago HoldCo. For each Class A-3 Interest sold in this offering and the concurrent private placements, we will incur $20,000 of Subordinated Loans from Bally's Chicago HoldCo. We will not incur any Subordinated Loans or other debt in connection with the issuance of the Class A-4 Interests or the Class B Interests held by Bally's Chicago HoldCo. The Subordinated Loans will be non-recourse to the holders of our Class A Interests; however, the value of the Class A Interests (other than the Class A-4 Interests) at any given time will be linked to the portion of the Subordinated Loans as of such time.

Based upon an aggregate offering size of $195.1 million, which is the amount set forth on the cover page of this prospectus, and an aggregate size of $ million of the concurrent private placements, we expect to incur the following amounts of Subordinated Loans:

- $ million of Class A-1 Subordinated Loans, based on $0.125 million of Class A-1 Interests sold in this offering and $ million Class A-1 Interests sold in the concurrent private placements;
- $ million of Class A-2 Subordinated Loans, based on $2.5 million of Class A-2 Interests sold in this offering and $ million Class A-2 Interests sold in the concurrent private placements; and
- $ million of Class A-3 Subordinated Loans, based on $5 million of Class A-3 Interests sold in this offering and $ million Class A-3 Interests sold in the concurrent private placements.

Our obligation to make payments of principal and interest on the Subordinated Loans is subordinate and junior in right of payment to all of our senior indebtedness and other general creditors and certain other types of indebtedness specified in the subordinated loan agreement.

The Subordinated Loans will have no maturity date. In the event of a sale or dissolution of Bally's Chicago OpCo's, after payment or provision for payment of Bally's Chicago OpCo's debt and liabilities, including any amounts due under Bally's Chicago OpCo's senior indebtedness, each LLC Interest will be entitled to receive a proportionate interest in the net assets of Bally's Chicago OpCo. In turn, the interests in the net assets of Bally's Chicago OpCo received by Bally's Chicago, Inc. will be used to pay Bally's Chicago, Inc.'s debts and liabilities, including any amounts under any senior indebtedness and the Subordinated Loans owed by us at the time of such sale. Each Class A Interest will be entitled to receive a proportionate interest in the net assets remaining for distribution to holders of Class A Interests. Class B Interests hold no economic interest in Bally's Chicago, Inc.

Interest. The Subordinated Loans will bear interest at a rate equal to 11.0% per annum, compounding quarterly. Principal and interest payments on the Subordinated Loans will be paid by us by withholding discretionary distributions that would otherwise be made by us to the investors with the corresponding

Class A Interests, and applying such distributions to reduce amounts outstanding under the applicable

Subordinated Loans. In connection with each such distribution until the Subordinated Loans are repaid in full, we will withhold an amount equal to 100.0% of each such future distribution, which will be applied first to any outstanding and unpaid interest remaining on the Subordinated Loans and thereafter to any outstanding and unpaid principal remaining on the Subordinated Loans. Any interest payments that are not able to be paid in cash on a quarterly basis will be added to the principal balance of the Subordinated Loans. Upon full repayment of the corresponding Subordinated Loans, holders of our Class A Interests will receive 100% of any discretionary distributions payable to such holders with respect to their Class A Interests.

In the event discretionary distributions are not sufficient to repay the balance on the Subordinated Loans prior to a sale or dissolution of the Company and/or our wholly-owned subsidiary, Bally's Chicago OpCo, any proceeds received on account of the sale of the investor's shares will be applied first to any outstanding and unpaid interest remaining on the Subordinated Loans and thereafter to any outstanding and unpaid principal remaining on the Subordinated Loans.

Repayment. We may, at our option, repay the Subordinated Loans, in whole or in part, upon ten days' notice to Bally's at a redemption price equal to the principal amount thereof, plus accrued and unpaid interest thereon.

Covenants. The subordinated loan agreement will contain customary covenants that, among other things, will limit our ability to merge, consolidate or sell all or any substantial part of our consolidated assets and, subject to certain conditions, pay dividends. In addition, the Subordinated Loans will provide that we may not consolidate with or merge into any other person or entity, or convey or transfer our properties and assets substantially as an entirety to any person or entity, unless certain conditions specified in the subordinated loan agreement are satisfied.

Events of Default. An event of default under the subordinated loan agreements will occur, and the payment of principal of the subordinated debt may be accelerated, only upon the occurrence and continuation of certain events of insolvency of the Company that are specified in the subordinated loan agreements (a "Subordinated Debt Event of Default"). In the case of a Subordinated Debt Event of Default, unless the principal of the subordinated debt already shall have become due and payable, Bally's may declare the principal amount of the subordinated debt to be due and payable immediately.

EXECUTIVE COMPENSATION

Our named executive officers for fiscal year 2024 are:

- Ameet Patel, President and Director;
- H.C. Charles Diao, Chief Financial Officer; and
- Kim M. Barker, Secretary and Director.

We were incorporated in May 2022 to operate as a subsidiary of Bally's Corporation for purposes of building and operating an entertainment destination resort in Chicago, Illinois. As described in "Management — Executive Officers, Directors and Director Nominees," Mr. Patel also serves as Senior Vice President & Regional General Manager — West of Bally's Corporation, Mr. Diao also serves as Senior Vice President, Finance and Corporate Treasurer of Bally's Corporation and Ms. Barker serves as Executive Vice President and Chief Legal Officer of Bally's Corporation, each of whom respectively received compensation during fiscal 2024 in that capacity. Although each named executive officer's services to us comprises only a portion of the total services such executive provides to Bally's Corporation and its subsidiaries, we have included all compensation paid by Bally's Corporation and its subsidiaries to our named executive officers during the applicable fiscal year(s) in the following table rather than that portion attributable to such executive's services to us during such year(s).

Summary Compensation Table

The following table sets forth information concerning the compensation of our named executive officers for the years ended December 31, 2024 and December 31, 2023, as applicable.

Name and Principal Position	Year	Salary ($)[1]	Stock Awards ($)[2]	Non-Equity Incentive Plan Compensation ($)[3]	All Other Compensation ($)[4]	Total
Ameet Patel *President and Director*	2024	500,000	32,344		62,033	594,377
	2023	462,740	60,239	312,627	33,214	867,820
H.C. Charles Diao *Chief Financial Officer*	2024	500,000	118,356		23,720	642,076
Kim M. Barker *Secretary and Director*	2024	550,000	87,661		19,004	656,665

(1) Amount reflects the actual base salary paid to the executive in respect of the applicable fiscal year, taking into account any base salary increases.

(2) Amount reflects the grant date fair value of performance stock units ("PSUs"), granted during the applicable fiscal year with respect to Bally's Corporation common stock as computed under ASC 718. With respect to the PSUs, the grant date fair value is calculated based on the probable outcome of the performance result (i.e., target level of performance) for the applicable performance period. The fair value of the PSUs was determined using the share price of Bally's Corporation common stock on the date that the applicable performance targets were set for the applicable performance period. The amount does not necessarily reflect the actual amount that was paid to, or may be realized by, the NEO for the fiscal year reflected. Share-based compensation expense is recognized based on the target number of shares of common stock that may be earned pursuant to the PSU award and Bally's Corporation stock price on the date of grant, and expense is subsequently adjusted based on actual and forecasted performance compared to planned targets.

(3) Amount reflects the annual performance bonus earned with respect to the applicable fiscal year under the Bally's Corporation annual bonus program, as described below. The annual performance bonus

earned with respect to fiscal year 2024 has not yet been determined but is expected to be determined in March 2025.

(4) For 2024, amounts reflect: (i) For Mr. Patel, (A) contributions for the group term life insurance premiums and AD&D policy in the amount of $930, (B) supplemental executive disability benefits in the amount of $810, (C) a Bally's Corporation-paid matching contribution to Mr. Patel's 401(k) plan account of $11,500, (D) a tax gross-up in the amount of $11,070 associated with the provision to Mr. Patel of certain health benefits by Bally's Corporation, and (E) a retroactive salary payment to Mr. Patel of $37,723 to reflect his retroactive salary increase to $500,000 effective as of September 2023; (ii) For Mr. Diao, (A) contributions for the group term life insurance premiums and AD&D policy in the amount of $907, (B) supplemental executive disability benefits in the amount of $810, (C) a Bally's Corporation-paid matching contribution to Mr. Diao's 401(k) plan account of $11,500, and (D) a tax gross-up in the amount of $10,503 associated with the provision to Mr. Diao of certain health benefits by Bally's Corporation; and (iii) for Ms. Barker, (A) contributions for the group term life insurance premiums and AD&D policy in the amount of $1,395, (B) supplemental executive disability benefits in the amount of $810, (C) a Bally's Corporation-paid matching contribution to Ms. Barker's 401(k) plan account of $10,085, and (D) a tax gross-up in the amount of $6,714 associated with the provision to Ms. Barker of certain health benefits by Bally's Corporation.

Base Salary

Our named executive officers receive a base salary from Bally's Management Group, LLC to compensate them for services rendered to Bally's Corporation and its subsidiaries, including Bally's Chicago. The base salary payable to our named executive officers is intended to provide a fixed component of compensation reflecting the executive's skill set, experience, role and responsibilities.

For 2024, Messrs. Patel and Diao each received a base salary of $500,000 and Ms. Barker received a base salary of $550,000.

The actual salaries paid to our named executive officers for 2024 is set forth above in the Summary Compensation Table in the column entitled "Salary," and have not been prorated to reflect the applicable portion of the executives' services attributable to Bally's Chicago.

2024 Bonus

Our named executive officers are eligible to earn an annual performance-based bonus in respect of 2024, with Messrs. Patel and Diao having a target bonus opportunity equal to 75% of his annual base salary and Ms. Barker having a target bonus opportunity of 100% of her base salary.

Payouts under the Bally's Corporation annual bonus program for 2024 were based on pre-determined adjusted EBITDAR goals. Bally's Corporation has not yet determined actual achievement of the EBITDAR goals for 2024, though it is expected to determine performance achievement as well as annual cash bonus payouts in March 2025.

Equity Compensation

In connection with Mr. Patel's appointment by Bally's Corporation as Senior Vice President and General Manager — West, on October 25, 2021, Bally's Corporation granted Mr. Patel 9,062 target PSUs with respect to its common stock under the Bally's Corporation 2021 Equity Incentive Plan. The PSUs are eligible to be earned and vest based on the achievement of certain performance goals over three separate one-year performance periods ending December 31, 2022, December 31, 2023 and December 31, 2024, in each case subject to Mr. Patel's continued service with Bally's Corporation through the January 1 following the end of the applicable performance period, and are settled in Bally's Corporation common stock.

In addition, Mr. Patel received a grant of time-based restricted stock units, or RSUs, from Bally's Corporation on October 25, 2021, which award vests in three equal annual installments on each of the first three anniversaries of the vesting commencement date of December 31, 2021, subject to continued service through the applicable vesting dates, and which are settled in Bally's Corporation common stock.

In 2023, Mr. Diao was granted 28,125 RSUs with respect to Bally's Corporation common stock vesting in three installments on each on each March 1, of 2024, 2025 and 2026, subject to continued service through the applicable vesting dates, subject to continued employment, as well as PSUs with respect to Bally's

Corporation common stock eligible to be earned and vest based on the achievement of certain performance goals over three separate one-year performance periods. For 2024, Mr. Diao was granted PSUs with respect to a target of 11,051 PSUs eligible to be earned for the 2024 performance period.

In 2023, Ms. Barker was granted 24,554 time-vesting RSUs with respect to Bally's Corporation common stock which are scheduled to vest in three equal installments on each March 1, of 2024, 2025 and 2026, subject to continued service through the applicable vesting dates, as well as PSUs with respect to Bally's Corporation common stock eligible to be earned and vest based on the achievement of certain performance goals over three separate one-year performance periods. In 2024, Ms. Barker was granted PSUs with respect to a target of 8,185 PSUs eligible to be earned for the 2024 performance period.

With respect to the RSUs granted to our named executive officers, upon termination of employment due to death or disability, the portion of the executive's RSUs that would have vested on the next applicable vesting date will accelerate and vest. In the event of a "change in control" and the acquiring or surviving entity provides a replacement award in connection with a change in control, the vesting of the executive's RSUs will only accelerate upon the "involuntary termination" of employment (each as defined in the applicable Bally's Corporation equity plan or award agreement) within two years following the change in control. RSUs will automatically vest in full upon a change in control if the acquiring or surviving entity does not provide a replacement award.

Upon a termination of employment due to death, any PSUs earned for previously completed performance periods will vest at the "target" performance levels, unvested PSUs attributable to the current performance period will vest at the target level on a pro-rata basis (based upon the number of days of service during the applicable performance period), and any unvested PSUs for future performance periods will be forfeited. In the event of a termination of employment by the Company without "cause" or due to the executive's disability, or a termination for "good reason," all PSUs (including for prior, current and future performance periods) will vest based on actual performance. In the event of a change in control, the PSUs will vest based on actual performance.

The PSUs attributable to each performance period will have their own grant date (determined each year based on the date on which the Bally's Corporation Compensation Committee establishes the applicable performance goals for such period, which serves as the date on which such PSUs will be effectively granted for accounting purposes). As a result, the values of the PSUs reflected in the "Stock awards" column of the Summary Compensation Table for 2024 reflects the grant date fair value for only fiscal year 2024 and were not prorated to reflect solely the portion of the executive's services attributable to Bally's Chicago.

Employee Benefits

Our named executive officers are eligible to participate in Bally's Corporation's health and welfare plans, including medical, dental and vision benefits, long-term disability insurance and life insurance. Bally's Corporation also sponsors a 401(k) retirement plan for its employees, including our named executive officers, who satisfy certain eligibility requirements. For the 2024 fiscal year, Bally's Corporation made matching contributions of $11,500 in respect of Messrs. Patel's and Diao's 401(k) plan accounts and $10,085 in respect of Ms. Barker's 401(k) plan account.

In addition, certain key employees of Bally's Corporation (including our named executive officers) are eligible to receive supplemental executive welfare plan benefits. Our named executive officers are also eligible to receive tax-gross ups in respect of health benefits provided to the executive by Bally's Corporation.

In addition, Mr. Patel received a retroactive salary payment of $37,723 in 2024 to reflect his retroactive salary increase to $500,000 effective as of September 2023, which was pursuant to the Patel Employment Agreement (as described below).

The amount of such benefits paid by Bally's Corporation on behalf of our named executive officers is set forth above in the Summary Compensation Table in the column entitled "All Other Compensation."

Outstanding Equity Awards at Fiscal Year-End

The following table summarizes the number of shares of Bally's Corporation common stock underlying outstanding equity incentive plan awards for each named executive officer as of December 31, 2024. Although our named executive officers received a portion of his or her awards in connection with his or her service with Bally's Corporation, all such awards are included in the table below rather than the portion attributable to the executive's service with us. All awards reflected in the table below are with respect to Bally's Corporation common stock.

	Stock Awards			
Name	**Number of Shares or Units of Stock That Have Not Vested (#)**	**Market Value of Shares or Units of Stock That Have Not Vested ($)[1]**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)**	**Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)[1]**
Ameet Patel	—	—	3,020[2]	54,028
H.C. Charles Diao	22,070[3]	394,832	11,051[2]	197,702
Kim M. Barker	16,369[3]	292,842	8,185[2]	146,430

(1) The value shown was calculated by multiplying the number of shares shown in the table by the closing price of Bally's Corporation common stock on December 31, 2024, or $17.89.

(2) Represents target PSUs granted to the executive which are attributable to the 2024 performance period.

(3) The RSUs vest in three equal installments on each March 1, of 2024, 2025 and 2026, subject to continued employment through the applicable vesting dates.

Employment Agreements

Patel Employment Agreement

Effective as of October 1, 2023, Mr. Patel entered into an employment agreement with Bally's Management Group, LLC providing for his continued employment as Senior Vice President & Regional General Manager — West (the "Patel Employment Agreement"). The Patel Employment Agreement provides for a term through December 31, 2024.

Pursuant to the Patel Employment Agreement, Mr. Patel is entitled to an annual base salary of $500,000 and is eligible to earn an annual cash performance-based bonus with a target bonus opportunity of 75% of his annual base salary.

In the event Mr. Patel's employment is terminated by his employer without "justifiable cause" (as defined in the Patel Employment Agreement), he will be entitled to receive, subject to his execution and non-revocation of a separation and general release agreement, (i) any earned but unpaid annual bonus for the year prior to the year of termination, (ii) six months continued base salary, payable in accordance with ordinary payroll practices, and (iii) an annual bonus with respect to the fiscal year in which his termination occurs, based on actual achievement of any applicable performance goals and prorated for the number of days the executive was employed during that fiscal year, payable at the same time bonuses are payable to other senior executives generally (a "Pro-Rata Bonus"); provided, that if such termination occurs within six months of a change-in-control (as defined in the Patel Employment Agreement), Mr. Patel will receive the foregoing benefits other than he will instead receive continued base salary payments for the greater of (a) twelve months and (b) the amount of time remaining during the term.

In the event Mr. Patel's employment terminates by reason of his death or disability, he or his estate will be entitled to receive a Pro-Rata Bonus.

The Patel Employment Agreement provides that Mr. Patel will be subject to perpetual non-disparagement obligations.

We expect to enter into an amendment to the Patel Employment Agreement with Mr. Patel including, among other things, an extension of the term of the Patel Employment Agreement.

Diao Employment Agreement

Effective as of May 8, 2023, Mr. Diao entered into an employment agreement with Bally's Management Group, LLC providing for his employment as Senior Vice President, Finance and Treasurer (the "Diao Employment Agreement"). The Diao Employment Agreement provides for a term through December 31, 2026, subject to automatic successive one-year renewals unless either party provides at least 60 days' written notice of non-extension to the other party.

Pursuant to the Diao Employment Agreement, Mr. Diao is entitled to an annual base salary of $500,000 and is eligible to earn an annual cash performance-based bonus with a target bonus opportunity of 75% of his annual base salary.

In the event Mr. Diao's employment is terminated by his employer without "justifiable cause" (as defined in the Diao Employment Agreement), he will be entitled to receive, subject to his execution and non-revocation of a separation and general release agreement, (i) any earned but unpaid annual bonus for the year prior to the year of termination, (ii) twelve months continued base salary, payable in accordance with ordinary payroll practices, (iii) a Pro-Rata Bonus and (iv) a monthly payment equivalent to the approximate monthly COBRA premium which may be used to purchase continuation coverage benefits; provided, that if such termination occurs within twelve months of a change-in-control (as defined in the Diao Employment Agreement), Mr. Diao will receive the foregoing benefits other than he will instead receive continued base salary payments for the greater of (a) twenty-four months and (b) the amount of time remaining during the term.

In the event Mr. Diao's employment terminates by reason of his death or disability, he or his estate will be entitled to receive a Pro-Rata Bonus.

The Diao Employment Agreement provides that Mr. Diao will be subject to perpetual non-disparagement obligations.

Barker Employment Agreement

The employment agreement entered into with Ms. Barker by Bally's Management Group, LLC (f/k/a Twin River Management Group, Inc.) was effective as of December 7, 2022 and provides for a term that runs until December 31, 2024, an annual base salary equal to $550,000, which will be reviewed annually, and eligibility to receive a target annual cash bonus equal to 100% of her base salary.

Upon a termination of employment by her employer without "justifiable cause" or by Ms. Barker for "good reason," (each as defined in the Barker Employment Agreement), Ms. Barker will be entitled to receive: (i) any earned but unpaid annual bonus for the year prior to the year of termination, (ii) a Pro-Rata Bonus, and (iii) continued payment of annual base salary for a period of 12 months In addition, during the applicable severance period, Ms. Barker will receive a monthly payment equivalent to the approximate monthly COBRA premium which may be used to purchase continuation coverage benefits.

In the event Ms. Barker's employment terminates by reason of her death or disability, she or her estate will be entitled to receive a Pro-Rata Bonus.

The Barker Employment Agreement provides that Ms. Barker will be subject to 12-month post-termination non-compete and non-solicit of customers and employees covenants.

We expect to enter into an amendment to the Barker Employment Agreement with Ms. Barker including, among other things, an extension of the term of the Barker Employment Agreement.

Director Compensation

2024 Director Compensation Table

Name	Fees Earned or Paid in Cash ($)	Total ($)
Wanda Wilson[1]	26,667	26,667

(1) Ms. Wilson commenced serving on our board of directors effective November 1, 2024. Ms. Wilson, who also serves as a director of Bally's Corporation, holds 7,686 shares of restricted stock with respect to Bally's Corporation.

Effective as of this offering, each of our non-employee directors will be eligible to receive an annual cash retainer for their service of $80,000 (other than Ms. Wilson, who became eligible to receive an annual cash retainer of $160,000 in connection with the commencement of her service in 2024).

TRANSACTIONS WITH RELATED PERSONS

The following is a description of transactions since our incorporation in May 2022, to which we have been a party, in which the amount involved exceeds $120,000, and in which any of our directors, executive officers or holders of more than 5% of our capital stock, or an affiliate or immediate family member thereof, had or will have a direct or indirect material interest, other than compensation, termination and change in control agreements, which are described under "*Executive Compensation*." We believe that all of the transactions described below were made on terms no less favorable to us than could have been obtained from unaffiliated third parties.

Permanent Services Agreement

In January 2023, Bally's Chicago OpCo and certain subsidiaries of Bally's Corporation entered into the Permanent Services Agreement with BMG, a subsidiary of Bally's Corporation. Pursuant to the Permanent Services Agreement, BMG agreed to provide us and certain subsidiaries of Bally's Corporation with general business support services, including services relating to external reporting obligations, internal audit, regulatory filings, design and construction, business development, human resources, tax, accounting, treasury and capital related, risk management, legal, finance and marketing upon the opening of our permanent casino and resort. Pursuant to the Permanent Services Agreement, we agreed to pay BMG an annual fee equal to the salaries, burden, overhead and other operating costs for providing such services based on our share of those costs calculated by reference to an appropriate common-size metric plus 6%, which fee may be reviewed and adjusted by the parties from time to time to reflect current market rates for such services and as required by the Code. The initial term of the agreement is one year, beginning upon the opening of our permanent casino and resort, and will be automatically renewed for successive one-year terms, unless either party serves on the other a written notice of termination.

Temporary Services Agreement

In August 2023, Bally's Chicago OpCo entered into the Temporary Services Agreement with BMG, a subsidiary of Bally's Corporation. Pursuant to the Temporary Services Agreement, BMG agreed to provide us with general business support services, including services relating to external reporting obligations, internal audit, regulatory filings, design and construction, business development, human resources, tax, accounting, treasury and capital related, risk management, legal, finance and marketing related to our temporary casino. Pursuant to the Temporary Services Agreement, we agreed to pay BMG a monthly fee equal to $5.0 million, which fee may be reviewed and adjusted by the parties from time to time to reflect current market rates for such services and as required by the Code. The initial term of the agreement is two years, beginning August 30, 2023, and will be automatically renewed for successive one-year terms for as long as our temporary casino is licensed to continue operations, unless BMG serves on Bally's Chicago OpCo a written notice of termination. The Temporary Services Agreement shall automatically terminate when our temporary casino permanently closes and our permanent casino and resort opens to the public. For the year ended December 31, 2023 and the nine months ended September 30, 2024, the fee paid to BMG in accordance with the Temporary Services Agreement was $20.0 million and $45.0 million, respectively.

Guarantee of Bally's Corporation's Obligations

We and Bally's Chicago HoldCo, our direct parent and the entity that will hold all of our Class B Interests after the closing of this offering, as well as all other current and future direct unrestricted subsidiaries of Bally's Corporation under its credit facilities and bond indentures, will guarantee Bally's Chicago OpCo's obligations under the GLP Lease Agreement and GLP Development Agreement; provided, however, that at such time as Bally's Chicago OpCo becomes a restricted subsidiary under Bally's Corporation's credit facilities and bond indentures, (i) Bally's Corporation (or its Parent Company (as defined in Bally's Corporation's existing master lease agreement with GLP), if any, following a Control Transaction (as defined in the GLP Term Sheet)) will be required to guarantee the GLP Lease Agreement and GLP Development Agreement and (ii) following the delivery of such guarantee, the guarantees of the GLP Lease Agreement and GLP Development Agreement provided by Bally's Chicago HoldCo and such

other unrestricted subsidiaries of Bally's Corporation shall terminate.

In connection with Bally's Chicago HoldCo's commitment to guarantee the GLP Lease Agreement and GLP Development Agreement, and in partial consideration for certain investments by Bally's Corporation and its subsidiaries into Bally's Chicago OpCo, we and Bally's Chicago OpCo intend to guarantee all obligations, including, without limitation, indebtedness and lease obligations of Bally's Corporation and its subsidiaries upon Bally's Corporation's (or its Parent Company's (as defined in Bally's Corporation's existing master lease agreement with GLP), if any, following a Control Transaction (as defined in the GLP Term Sheet)) guaranteeing the GLP Lease Agreement and the GLP Development Agreement or upon request from Bally's Corporation; provided that, at any time after such guarantee by Bally's Corporation (or its Parent Company) or such request from Bally's Corporation, upon request of Bally's Chicago OpCo, Bally's Corporation will guarantee Bally's Chicago OpCo's obligations under any lease obligations outstanding at such time, including any obligations under the Oak Street Lease Agreement or, if entered into, the GLP Lease Agreement and the GLP Development Agreement, to the maximum extent permitted under the instruments governing Bally's Corporation's indebtedness (assuming full borrowing of all outstanding commitments under Bally's Corporation's revolving credit facilities outstanding at such time).

Furthermore, we and Bally's Chicago OpCo intend to enter into the Guarantee Agreement with Bally's Corporation, pursuant to which, at any time in the future, upon request from Bally's Corporation, we and Bally's Chicago OpCo will guarantee, and cause each of our wholly-owned subsidiaries to guarantee, any additional obligations, including, without limitation, indebtedness and lease obligations that Bally's Corporation or its subsidiaries enter into at any time in the future.

Pre-IPO Intercompany Notes

We are currently dependent on Bally's for a majority of our working capital and financing requirements. As of September 30, 2024, we and Bally's Chicago OpCo owe $631.0 million in Pre-IPO Intercompany Notes to Bally's and various of its subsidiaries. The Pre-IPO Intercompany Notes have borne and bear interest at a rate equal to 0.0% per annum and are scheduled to mature on December 31, 2025, but all portions that remain outstanding are expected to be extinguished and contribute towards Bally's commitment to purchase 30,000 LLC Interests for $750.0 million representing 75.0% of the economic interest in Bally's Chicago OpCo.

Pre-IPO Capital Contribution

Prior to the closing of this offering, Bally's Chicago HoldCo will assign to Bally's Chicago Inc. $ of Pre-IPO Intercompany Notes owed to it by Bally's Chicago, Inc. and $ of Pre-IPO Intercompany Notes owed to it by Bally's Chicago OpCo as the Pre-IPO Capital Contribution. The amount of the Pre-IPO Capital Contribution will equal the aggregate amount of Subordinated Loans that we will enter into based on the amount of the various classes of Class A Interests sold in this offering and the concurrent private placements.

IPO Expenses Note

In connection with the closing of this offering, we intend to pay the placement agent fees and offering and private placement expenses payable by us with the proceeds we receive from Class A investors in this offering and the concurrent private placements. In turn, we intend to issue Bally's Chicago OpCo the IPO Expenses Notes in an amount equal to $, which is equal to the placement agent fees and offering and private placement expenses payable by us, to cover the difference in the amount we will owe Bally's Chicago OpCo in connection with the purchase of the LLC Interests. Bally's Chicago OpCo intends to assign the IPO Expenses Note to Bally's Chicago HoldCo in exchange for the cancellation of certain indebtedness owed by Bally's Chicago OpCo to Bally's Chicago HoldCo. The IPO Expenses Note will bear interest at a rate equal to 11.0% per annum and will mature on .

Intercompany Notes Cancellation and Post-IPO Capital Commitment

We intend to use all of the net proceeds from this offering, together with the proceeds from the concurrent private placements, the Subordinated Loans and the IPO Expenses Note, to purchase 10,000 LLC Interests directly from Bally's Chicago OpCo at a price per unit equal to the stated value of $25,000 per Class A Interest, which is equal to the amount paid by investors in this offering plus the corresponding amount of Subordinated Loans attributable to each Class A Interest. The 10,000 LLC Interests we purchase

will represent 25.0% of the economic interest in Bally's Chicago OpCo and the Class A Interests will represent 25.0% of the voting power and 100.0% of the economic interest in Bally's Chicago, Inc.

Bally's Chicago OpCo intends to use the proceeds it receives from the sale of LLC Interests to us to repay $250.0 million outstanding aggregate amount under the Pre-IPO Intercompany Notes. In addition, Bally's Chicago OpCo intends to issue 30,000 LLC Interests to Bally's Chicago HoldCo, at a price per LLC Interest equal to the stated value of $25,000 per Class A Interest, which is equal to the amount paid by investors in this offering plus the corresponding amount of Subordinated Loans attributable to each Class A Interest, in satisfaction of $ of indebtedness under the Pre-IPO Intercompany Notes and the Post-IPO Capital Commitment by Bally's Chicago HoldCo to provide to Bally's Chicago OpCo up to $ in additional funding.

Indemnification Agreements

Our amended and restated bylaws to be in effect prior to the closing of this offering provides that we will indemnify and advance expenses to our directors and officers to the fullest extent permitted under the Delaware General Corporation Law. In addition, we will enter into separate indemnification agreements with each of our directors and executive officers. For more information regarding these agreements, see "*Management — Limitations on Officers' and Directors' Liability and Indemnification Agreements*."

Subordinated Loans

In connection with this offering, we intend to enter into a subordinated loan agreement with Bally's Chicago HoldCo pursuant to which Bally's Chicago HoldCo, as lender, will make subordinated loans to us, as borrower, in various tranches and in varying amounts based on the total number of Class A-1 Interests, Class A-2 Interests and Class A-3 Interests sold in this offering. None of the new investors purchasing Class A Interests in this offering will be a party to the subordinated loan agreement, or a borrower or lender under the Subordinated Loans. For each Class A-1 Interest sold in this offering and the concurrent private placements, we will incur $24,750 of Class A-1 Subordinated Loans. For each Class A-2 Interest sold in this offering and the concurrent private placements, we will incur $22,500 of Class A-2 Subordinated Loans. For each Class A-3 Interest sold in this offering and the concurrent private placements, we will incur $20,000 of Class A-3 Subordinated Loans. We will not incur any Subordinated Loans or other debt in connection with the issuance of the Class A-4 Interests or the Class B Interests held by Bally's Chicago HoldCo. Pursuant to the terms of our amended and restated certificate of incorporation to be in effect prior to the closing of this offering, so long as there are Subordinated Loans outstanding that are attributable to each of our various Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, any cash available for distribution that would otherwise be paid to holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests, as applicable, will be required to be used for the repayment of principal and accrued interest on the corresponding Subordinated Loans owed by us. The Subordinated Loans will bear interest at a rate equal to 11.0% per annum, compounding quarterly. The Subordinated Loans will be non-recourse to the holders of our Class A Interests. See "*Subordinated Loans*."

Stockholders Agreement

In connection with this offering and the Transactions, we and Bally's Chicago HoldCo intend to enter into the Stockholders Agreement, pursuant to which for so long as Bally's Chicago HoldCo beneficially owns at least 50% of the aggregate number of our stock outstanding, certain actions by us or any of our subsidiaries, including Bally's Chicago OpCo, will require the prior written consent of Bally's Chicago HoldCo. The actions that will require prior written consent include: (i) change in control transactions of our company or any of our subsidiaries, including Bally's Chicago OpCo, (ii) acquiring or disposing of assets or any business enterprise or division thereof for consideration in excess of $50.0 million in any single transaction or series of transactions, (iii) increasing or decreasing the size of our board of directors, (iv) initiating any liquidation, dissolution, bankruptcy, or other insolvency proceeding involving us or any of our subsidiaries, including Bally's Chicago OpCo, and (v) any transfer, issue, sale, or disposition by us of any shares of stock, other equity securities, equity-linked securities, or securities that are convertible into equity securities of us or our subsidiaries to any person or entity that is a non-strategic financial investor in a private placement transaction or series of transactions.

Support Letter

In January 2025, we obtained a letter of support from Bally's Corporation, pursuant to which Bally's Corporation commits to fund all of our operating, investing, and financing activities through at least December 31, 2026 and further commits not to make any decision or action that would reasonably be expected to negatively affect our ability to continue as a going concern through at least December 31, 2026.

Procedures for Related Party Transactions

All future material affiliated transactions and loans will be made or entered into on terms that are no less favorable to us than those that can be obtained from unaffiliated third parties. In addition, all future material affiliated transactions and loans, and any forgiveness of loans, must be approved by our Board.

Bally's Chicago OpCo Amended and Restated Limited Liability Company Agreement

As a result of this offering and the concurrent private placements, Bally's Chicago, Inc. will hold LLC Interests in Bally's Chicago OpCo and will be the sole managing member of Bally's Chicago OpCo. Accordingly, Bally's Chicago, Inc. will have the obligation to absorb losses and receive benefits from Bally's Chicago OpCo, and consolidate the financial results of Bally's Chicago OpCo and, through Bally's Chicago OpCo and its operating entity subsidiaries, conduct our business.

Pursuant to the amended and restated limited liability company agreement of Bally's Chicago OpCo as it will be in effect at the time of this offering, Bally's Chicago, Inc. will have the right to determine when distributions will be made to holders of LLC Interests and the amount of any such distributions, taken into consideration any applicable limitations and restrictions. See "*Dividend Policy*." If a distribution is authorized, such distribution will be made to the holders of LLC Interests pro rata in accordance with the percentages of their respective LLC Interests held.

The holders of LLC Interests, including Bally's Chicago, Inc., will incur U.S. federal, state and local income taxes on their allocable share of any taxable income of Bally's Chicago OpCo. Net profits and net losses of Bally's Chicago OpCo will generally be allocated to its holders (including Bally's Chicago, Inc.) pro rata in accordance with the percentages of their respective LLC Interests, except as otherwise required by law. The amended and restated limited liability company agreement of Bally's Chicago OpCo provides for cash distributions, which we refer to as "tax distributions," to the holders of LLC Interests. Generally, these tax distributions will be computed based on our estimate of the net taxable income of Bally's Chicago OpCo allocated to the holder of LLC Interests that receives the greatest proportionate allocation of income multiplied by an assumed tax rate equal to the highest effective marginal combined U.S. federal, state and local income tax rate prescribed for a corporation residing in Illinois. Tax distributions will be pro rata as among the LLC Interests.

PRINCIPAL STOCKHOLDERS

The following table sets forth information regarding the beneficial ownership of our shares of stock as of December 31, 2024, by:

- each of our directors and director nominees;
- each of our named executive officers;
- each person, or group of affiliated persons, who is known by us to beneficially own more than 5% of our shares of stock; and
- all of our executive officers, directors and director nominees as a group.

Beneficial ownership is determined in accordance with the rules of the SEC. These rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to those securities and include our shares of stock issuable upon the exercise of options that are immediately exercisable or exercisable within 60 days after December 31, 2024. Except as otherwise indicated in the footnotes to the table below, all of the shares of stock reflected in the table are our shares of stock and all persons listed below have sole voting and investment power with respect to the shares of stock beneficially owned by them, subject to applicable community property laws. The information is not necessarily indicative of beneficial ownership for any other purpose.

The percentage of beneficial ownership prior to this offering in the table below is based on 100 common stock outstanding as of December 31, 2024.

Beneficial ownership representing less than 1% is denoted with an asterisk (*). Unless otherwise indicated below, the address for each beneficial owner listed is c/o Bally's Chicago, Inc., 100 Westminster Street, Providence, RI 02903.

	Number of shares of stock beneficially owned before the offering and the concurrent private placements		Percentage of shares of stock beneficially owned before the offering and the concurrent private placements		Number of shares of stock beneficially owned after the offering and the concurrent private placements		Percentage of shares of stock beneficially owned after the offering and the concurrent private placements		Percentage of total voting power after the offering and the concurrent private placements
Name of beneficial owner	**Class A Interests**	**Class B Interests**	**Class A Interests**	**Class B Interests**	**Class A Interests**	**Class B Interests**	**Class A Interests**	**Class B Interests**	
Executive Officers, Directors and Director Nominees									
Ameet Patel	—	—	—%	—%	—	—	—%	—%	—%
H. C. Charles Diao	—	—	—%	—%	—	—	—%	—%	—%
Christopher Jewett	—	—	—%	—%	—	—	—%	—%	—%
Kim M. Barker	—	—	—%	—%	—	—	—%	—%	—%
Wanda Y. Wilson	—	—	—%	—%	—	—	—%	—%	—%
Renee Bradford	—	—	—%	—%	—	—	—%	—%	—%
Blanton Canady	—	—	—%	—%	—	—	—%	—%	—%
Ezequiel (Zeke) Flores	—	—	—%	—%	—	—	—%	—%	—%
Edward Lou	—	—	—%	—%	—	—	—%	—%	—%
Sharon Thomas Parrott	—	—	—%	—%	—	—	—%	—%	—%
All executive officers, directors and director nominees (10 persons)[1]	—	—	—%	—%	—	—	—%	—%	—%
5% Stockholders of Bally's									
Bally's Corporation[2]	—	—	—%	—%	—	30,000	—%	100%	75%

---

(1) Includes zero Class A Interests and zero Class B Interests held by all our current directors and executive officers as a group.

(2) Following the closing of this offering and the concurrent private placements and the consummation of the Transactions, Bally's Chicago HoldCo, a wholly-owned subsidiary of Bally's Corporation, will be the sole holder of our Class B Interests, and thus will hold 75% of the voting power of our stock.

DESCRIPTION OF CAPITAL STOCK

General

Our amended and restated certificate of incorporation to be in effect prior to the closing of this offering authorizes share of capital stock, $0.001 par value per share, consisting of:

- shares of Class A-1 Interests, shares of Class A-2 Interests, shares of Class A-3 Interests, and shares of Class A-4 Interests; and
- 30,000 shares of Class B Interests.

As of September 30, 2024, all of our common stock is held by one stockholder of record, Bally's Chicago HoldCo. In connection with the Common Stock Reclassification, our outstanding common stock will be reclassified into 100 Class B Interests upon the closing of this offering.

The following description of our capital stock and provisions of our amended and restated certificate of incorporation to be in effect prior to the closing of this offering and amended and restated bylaws to be in effect prior to the closing of this offering is a summary and is qualified in its entirety by reference to the full copies of these documents, which have been filed with the SEC as exhibits to our registration statement, of which this prospectus forms a part. Currently, there is no established public trading market for any class or series of our stock.

Ownership Interests

No vote of the holders of our stock, except as otherwise provided in the Stockholders Agreement, shall be necessary to issue any shares of any class or series of stock authorized by the amended and restated certificate of incorporation to be in effect prior to the closing of this offering. The rights, preferences and privileges of the holders of any class or series of our stock are subject to and may be adversely affected by the rights of the holders of shares of any class or series of our stock that we may authorize in the future.

Upon the closing of this offering and the concurrent private placements and the consummation of the Transactions, the following classes of stock will have been designated or are contemplated to be designated:

- Class A-1 Interests;
- Class A-2 Interests;
- Class A-3 Interests;
- Class A-4 Interests; and
- Class B Interests.

Unless otherwise specified, our amended and restated certificate of incorporation to be in effect prior to the closing of this offering provides for the following powers, preferences and relative participating, optional and other special rights, and the qualifications, limitations or restrictions thereof with respect to our shares of stock that we may issue from time to time.

Voting Rights

Each Class A Interest is entitled to one vote on all matters submitted to a vote of stockholders. Each Class B Interest is entitled to one vote on all matters submitted to a vote of stockholders.

Each class of our stock will vote together as a single class with all other classes of stock, unless otherwise required by law. Under DGCL Section 242(b)(2), Delaware law would require holders of a class of stock to vote separately as a single class if we were to seek to (i) increase or decrease the aggregate number of authorized shares of such class (unless the certificate of incorporation provides otherwise), (ii) increase or decrease the par value of the shares of such class, or (iii) alter or change the powers, preferences or special rights of one class of stock in a manner that affected such shares adversely. However, in accordance with Delaware law, with respect to any increase or decrease in the aggregate number of authorized shares of a class of stock, our amended and restated certificate of incorporation to be in effect

prior to the closing of this

offering will provide that the number of authorized shares of Class A-1 Interests, Class A-2 Interests, Class A-3 Interests, Class A-4 Interests or Class B Interests may be increased or decreased (but not below the number of shares thereof then outstanding) without a separate class vote of any holders of Class A-1 Interests, Class A-2 Interests, Class A-3 Interests, Class A-4 Interests or Class B Interests, irrespective of the provisions of Section 242(b)(2) of the DGCL. Delaware law also requires holders of a series of stock to vote separately as a single class if we were to seek to amend our certificate of incorporation in a manner that alters or changes the powers, preferences or special rights of one or more series of stock in a manner that affected such shares adversely, but shall not so affect the entire class.

We have not provided for cumulative voting for the election of directors in our amended and restated certificate of incorporation to be in effect prior to the closing of this offering.

Dividends

Class A Interests

We will be permitted, but not required, to pay dividends on our Class A Interests. For more information, see "*Prospectus Summary — Distributions and Repayment of Subordinated Loans*."

Class B Interests

Holders of our Class B Interests are not entitled to participate in any dividends declared by our Board.

Liquidation

In the event of a sale, liquidation, dissolution or winding up of Bally's Chicago OpCo, including a change of control, after payment or provision for payment of Bally's Chicago OpCo's debt and liabilities, including any amounts due under Bally's Chicago OpCo's senior indebtedness, each LLC Interest will be entitled to receive a proportionate interest in the net assets of Bally's Chicago OpCo. In turn, the interests in the net assets of Bally's Chicago OpCo received by Bally's Chicago, Inc. will be used to pay Bally's Chicago, Inc.'s debts and liabilities, including any amounts under any senior indebtedness and the Subordinated Loans owed by us at the time of such liquidation. Each Class A Interest will be entitled to receive a proportionate interest in the net assets remaining for distribution to holders of Class A Interests. Class B Interests hold no economic interest in Bally's Chicago, Inc.

Transfer Restrictions

Our Class A Interests will not be freely tradeable and will be subject to transfer restrictions. See "*Shares Eligible for Future Sale*" for additional information.

Right of First Refusal

Following five years after the closing of this offering, we and Bally's Corporation will have a right of first refusal if any holder of Class A Interests receives a bona fide offer from any person or entity to purchase such holder's Class A Interests that the holder desires to accept to transfer all or any portion of any Class A Interests that it owns. See "*Shares Eligible for Future Sale — Right of First Refusal*" for additional information.

Drag-Along Rights

In the event that Bally's Corporation (or any successor entity) proposes and/or we (as applicable) propose to sell us or all or substantially all of our assets to a third party purchaser, or agrees to any other transaction that would result in Bally's Corporation no longer directly or indirectly controlling a majority of our outstanding shares, holders of our stock may be required to participate in such sale. See "*Shares Eligible for Future Sale — Drag-Along Rights*" for additional information.

Tag-Along Rights

If any holder of Class B Interests proposes to transfer any of its Class B Interests to any person, each

holder of Class A Interests will be permitted to participate in such sale. See "*Shares Eligible for Future Sale — Tag-Along Rights*" for additional information.

No Affiliation with City of Chicago

Officials, employees, or family members of an official or employee of the City of Chicago are not permitted to, directly or indirectly, hold any of our stock.

Anti-Takeover Provisions

Bally's Corporation Elevated Ownership Stake

Following the closing of this offering and the concurrent private placements, Bally's Corporation will indirectly continue to hold substantially all of the voting power of our outstanding stock. As a result, Bally's Corporation will continue to be able to control all matters submitted to holders of our stock for approval. This control could discourage others from initiating any potential merger, takeover or other change of control transaction that other stockholders might view as beneficial.

Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws to be in effect upon the Closing of this Offering

The number of directors constituting our Board is permitted to be established only by a resolution adopted by a majority of our whole Board, and only our Board is authorized to fill vacant directorships, including newly created directorships.

Our Board will consist of six directors. Following the closing of this offering and the concurrent private placements and the consummation of the Transactions, Bally's Chicago HoldCo, a wholly-owned subsidiary of Bally's Corporation, will be the sole holder of our Class B Interests. Because the holders of our stock do not have cumulative voting rights, until such time as Bally's Chicago HoldCo owns less than a majority of our Class B Interests, Bally's Chicago HoldCo will elect a majority or more of the members of our Board. Our amended and restated bylaws include advance notice procedures and other content requirements applicable to holders of our stock for proposals to be brought before a meeting of stockholders, including proposed nominations of persons for election to our Board.

Our amended and restated certificate of incorporation to be in effect prior to the closing of this offering will provide that any action required or permitted to be taken by our stockholders may be taken without a meeting, without prior notice and without a vote, if a consent or consents, setting forth the action so taken, are (1) signed by the holders of outstanding shares of stock of the Company representing not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of stock of the Company then issued and outstanding entitled to vote thereon were present and voted and (2) delivered to the Company in accordance with applicable law.

Our amended and restated certificate of incorporation to be in effect prior to the closing of this offering will require stockholders holding at least sixty-six and two-thirds percent (66⅔%) of the voting power of all holders of our stock entitled to vote thereon to remove a director, and such removal may be with or without cause. Our amended and restated certificate of incorporation to be in effect prior to the closing of this offering will also require stockholders holding at least sixty-six and two-thirds percent (66⅔%) of the voting power of all holders of our stock entitled to vote thereon to amend, repeal or adopt provisions inconsistent with certain provisions of our amended and restated certificate of incorporation to be in effect prior to the closing of this offering and for our stockholders to amend our amended and restated bylaws to be in effect prior to the closing of this offering.

The combination of the lack of cumulative voting rights and supermajority voting requirements makes it more difficult for holders of our stock other than Bally's Chicago HoldCo (for so long as it holds sufficient voting rights) to replace our Board as well as for another party to obtain control of us by replacing our Board. Because our Board has the power to retain and discharge our officers, these provisions could also make it more difficult for holders of our stock other than Bally's Chicago HoldCo (for so long as it holds sufficient voting rights) or another party to effect a change in management.

These provisions may have the effect of deterring hostile takeovers or delaying changes in our control or management. These provisions are intended to enhance the likelihood of continued stability in the composition of our Board and its policies and to discourage certain types of transactions that may involve

an actual or threatened acquisition of us. These provisions are designed to reduce our vulnerability to an unsolicited acquisition proposal. The provisions also are intended to discourage certain tactics that may be used in proxy fights. However, such provisions could have the effect of discouraging others from making tender offers for our stock and, as a consequence, they also may inhibit fluctuations in the market price of our stock that could result from actual or rumored takeover attempts. Such provisions may also have the effect of preventing changes in our management.

Section 203 of the Delaware General Corporation Law

We elect not to be governed by Section 203 of the DGCL and the restrictions and limitations set forth therein.

Delaware as Sole and Exclusive Forum

Our amended and restated bylaws will provide that, unless we consent in writing to the selection of an alternative forum, (A)(i) any derivative action or proceeding brought on behalf of us, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers, other employees or stockholders to us or to our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation to be in effect prior to the closing of this offering or amended and restated bylaws to be in effect prior to the closing of this offering (as either may be amended or restated) or as to which the DGCL confers exclusive jurisdiction on the Court of Chancery of the State of Delaware or (iv) any action asserting a claim governed by the internal affairs doctrine of the law of the State of Delaware, shall be exclusively brought in the Court of Chancery of the State of Delaware or, if such court does not have subject matter jurisdiction thereof, the federal district court of the State of Delaware, and (B) the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Notwithstanding the foregoing, the exclusive forum provision shall not apply to claims seeking to enforce any liability or duty created by the Exchange Act.

Limitation of Liability and Indemnification of Executive Officers and Directors

For an in-depth discussion of liability and indemnification, please see "*Management — Limitations on Officers' and Directors' Liability and Indemnification Agreements*."

Transfer Agent and Registrar

BitGo Trust will act as our registrar and transfer agent for our Class A Interests. Our Class A Interests will be held in book-entry form only on our books and records, and any transfers of our Class A Interests must be made through an account with BitGo Trust.

DESCRIPTION OF CERTAIN INDEBTEDNESS

Guarantee of Bally's Corporation's Obligations

We and Bally's Chicago HoldCo, our direct parent and the entity that will hold all of our Class B Interests after the closing of this offering, as well as all other current and future direct unrestricted subsidiaries of Bally's Corporation under its credit facilities and bond indentures, will guarantee Bally's Chicago OpCo's obligations under the GLP Lease Agreement and GLP Development Agreement; *provided*, however, that at such time as Bally's Chicago OpCo becomes a restricted subsidiary under Bally's Corporation's credit facilities and bond indentures, (i) Bally's Corporation (or its Parent Company (as defined in Bally's Corporation's existing master lease agreement with GLP), if any, following a Control Transaction (as defined in the GLP Term Sheet)) will be required to guarantee the GLP Lease Agreement and GLP Development Agreement and (ii) following the delivery of such guarantee, the guarantees of the GLP Lease Agreement and GLP Development Agreement provided by Bally's Chicago HoldCo and such other unrestricted subsidiaries of Bally's Corporation shall terminate.

In connection with Bally's Chicago HoldCo's commitment to guarantee the GLP Lease Agreement and GLP Development Agreement, and in partial consideration for certain investments by Bally's Corporation and its subsidiaries into Bally's Chicago OpCo, we and Bally's Chicago OpCo intend to guarantee all obligations, including, without limitation, indebtedness and lease obligations of Bally's Corporation and its subsidiaries upon Bally's Corporation's (or its Parent Company's (as defined in Bally's Corporation's existing master lease agreement with GLP), if any, following a Control Transaction (as defined in the GLP Term Sheet)) guaranteeing the GLP Lease Agreement and the GLP Development Agreement or upon request from Bally's Corporation; provided that, at any time after such guarantee by Bally's Corporation (or its Parent Company) or such request from Bally's Corporation, upon request of Bally's Chicago OpCo, Bally's Corporation will guarantee Bally's Chicago OpCo's obligations under any lease obligations outstanding at such time, including any obligations under the Oak Street Lease Agreement or, if entered into, the GLP Lease Agreement and the GLP Development Agreement, to the maximum extent permitted under the instruments governing Bally's Corporation's indebtedness (assuming full borrowing of all outstanding commitments under Bally's Corporation's revolving credit facilities outstanding at such time).

Furthermore, we and Bally's Chicago OpCo intend to enter into the Guarantee Agreement with Bally's Corporation, pursuant to which, at any time in the future, upon request from Bally's Corporation, we and Bally's Chicago OpCo will guarantee, and cause each of our wholly-owned subsidiaries to guarantee, any additional obligations, including, without limitation, indebtedness and lease obligations that Bally's Corporation or its subsidiaries enter into at any time in the future. See "*Transactions with Related Persons — Guarantee of Bally's Corporation's Obligations.*"

Pre-IPO Intercompany Notes

We are currently dependent on Bally's for a majority of our working capital and financing requirements. As of September 30, 2024, we and Bally's Chicago OpCo owe $631.0 million in Pre-IPO Intercompany Notes to Bally's and various of its subsidiaries. The Pre-IPO Intercompany Notes have borne and bear interest at a rate equal to 0.0% per annum and are scheduled to mature on December 31, 2025, but all portions that remain outstanding are expected to be extinguished and contribute towards Bally's commitment to purchase 30,000 LLC Interests for $750.0 million representing 75.0% of the economic interest in Bally's Chicago OpCo.

PLAN OF DISTRIBUTION

Under the terms and subject to the conditions contained in a placement agent agreement dated the date of this prospectus, we have engaged Loop Capital Markets LLC to act as lead placement agent and Innovation Capital, LLC and to serve as co-placement agent to solicit offers to purchase the Class A Interest on a best efforts basis. The placement agents are not purchasing or selling any Class A Interests, nor are they required to arrange for the purchase and sale of any specific number or dollar amount of securities, other than to use their "reasonable best efforts" to arrange for the sale of the securities by us. Therefore, we may not sell the entire amount of Class A Interests being offered. We will enter into a securities purchase agreement directly with the investors, at the investor's option, who purchase our Class A Interests in this offering. The placement agents may engage one or more subagents or selected dealers in connection with this offering.

The placement agents initially propose to solicit offers to purchase our Class A-1 Interests for sale at the price of $250 per share, our Class A-2 Interests for sale at the price of $2,500 per share, our Class A-3 Interests for sale at the price of $5,000 per share and our Class A-4 Interests for sale at the price of $25,000 per share, in each case on a best efforts basis.

Upon the closing of this offering, we will pay the placement agents a cash transaction fee equal to 6.0% of the aggregate gross cash proceeds to us from the sale of the securities in this offering. We will also incur other expenses relating to this offering, which expenses are estimated to be approximately $ and include legal, accounting and printing costs and various other fees associated with registration of our Class A Interests. We have also agreed to reimburse the placement agents for certain of their fees and expenses in an amount up to $300,000 as set forth in the placement agent agreement.

The Company has retained Citizens Capital Markets, Inc. and as financial advisors in connection with this offering. These financial advisors will receive customary fees for their services and may be reimbursed for certain expenses incurred in connection with the offering.

Prior to this offering, there has been no public or private market for our Class A Interests or our Class B Interests. Neither our Class A Interests nor our Class B Interests will be listed on any national securities exchange or on any other stock exchange, regulated trading facility or automated dealer quotation system in the United States or internationally. Our Class A Interests are subject to restrictions on transferability and redemption provisions, which will materially impact the ability of holders of our Class A Interests to transfer their shares. Additionally, there is no trading market for our Class A Interests and, due to transferability restrictions, an active market for our Class A Interests will not likely develop in the future. As such, our Class A Interests will have limited liquidity and holders of our Class A Interests may not be able to monetize their full investment in our Class A Interests, if at all.

The initial public offering prices were determined based upon our analysis of the enterprise value of 25% of Bally's Chicago OpCo's equity. Among the factors considered in determining the initial public offering prices of our Class A Interests, in addition to prevailing market conditions, are our estimates of our business potential and earnings prospects, an assessment of our management and the consideration of the above factors in relation to market valuation of companies in related businesses.

We and the placement agents may market our Class A Interests through roadshow presentations. We also plan to market our Class A Interests through media interviews in print and electronic media, including email, and other methods in compliance with applicable laws and regulations, including securities laws. We plan to permit investors who wish to do so to review this prospectus online at the internet address https://ballyschicagoinvest.com. We are not incorporating by reference in this prospectus the website.

In order to purchase our Class A-1 Interests, Class A-2 Interests, Class A-3 Interests, or Class A-4 Interests, you must open an account with BitGo Trust Company, Inc. ("BitGo Trust"), a wholly owned subsidiary of BitGo, Inc. ("BitGo"). See below for additional information about opening an account with BitGo Trust.

In order to comply with the applicable securities laws of Illinois, Florida, New York and Texas, the securities will be offered or sold in Illinois, Florida, New York and Texas only if they have been registered or qualified for sale or an exemption from such registration is available with which we have complied. In

addition, and without limiting the foregoing, we will be subject to applicable provisions, rules, and regulations under the Exchange Act with regard to securities transactions during the period of time when this registration statement is effective.

The placement agents are deemed to be underwriters within the meaning of Section 2(a)(11) of the Securities Act, and any fees received by them will be deemed to be underwriting discounts or commissions under the Securities Act. As underwriters, the placement agents are required to comply with the requirements of the Securities Act and the Exchange Act, including, without limitation, Rule 415(a)(4) under the Securities Act and Rule 10b-5 and Regulation M under the Exchange Act. Under these rules and regulations, the placement agents:

- may not engage in any stabilization activity in connection with our securities; and
- may not bid for or purchase any of our securities or attempt to induce any person to purchase any of our securities, other than as permitted under the Exchange Act, until it has completed its participation in the distribution.

Offering Process

The process being used for our initial public offering of Class A Interests differs from methods that have been traditionally used in most other underwritten initial public offerings in the United States. In particular, the Class A Interests are being offered at a predetermined price and orders may only be entered through the WealthBlock platform. We plan to conduct this offering in two stages — Qualification and Allocation. Investors that do not submit orders through the prescribed process will not be eligible for an allocation of shares in our offering.

The Qualification Process

Our objective is to ensure that only investors for whom an investment in the Class A Interests is suitable may participate in this offering. Before you can submit a conditional offer to purchase our Class A-1 Interests, Class A-2 Interests, Class A-3 Interests, or Class A-4 Interests, which we refer to as an "investment commitment" or "reservation" you will be required to open an account with BitGo Trust.

You will be required to apply for an account with BitGo Trust through the WealthBlock web-based platform, which you can access at https://ballyschicagoinvest.com. Through the WealthBlock platform, you will be able to review the offering materials, undergo screening for demographic eligibility, undergo a suitability assessment, and provide personal information required to complete a custody account opening with BitGo Trust.

Upon review of the information that you provide in the account opening questionnaire, we will determine, in our sole discretion, whether you have attested to satisfying the Class A Qualification Criteria. See "*Shares Eligible for Future Sale*" beginning on page 192 for the definition of Class A Qualification Criteria. If we determine that you attested to satisfying the Class A Qualification Criteria, and BitGo Trust determines that an account may be opened without further information, then your account will be opened, and instructions will be provided on how to make an investment commitment and fund your account. Before establishing an account and making an investment commitment for our Class A-1 Interests, Class A-2 Interests, Class A-3 Interests, or Class A-4 Interests, you should:

- read this prospectus, including all the risk factors, very carefully;
- understand that this offering is only being made to persons that attest to satisfying the Class A Qualification Criteria, and determine whether you meet the Class A Qualification Criteria, see "*Shares Eligible for Future Sale*" beginning on page 192 for the definition of Class A Qualification Criteria; and
- understand that our initial public offering price is predetermined and that there will be no liquid trading market for our Class A Interests, which will impact your ability to monetize your investment.

We caution you that our Class A Interests may not be a suitable investment for you even if you qualify

to open an account and participate in this offering. Moreover, even if you have an account, you may not be

able to submit an investment commitment for our Class A-1 Interests, Class A-2 Interests, Class A-3 Interests, or Class A-4 Interests if you do not attest to satisfying the Class A Qualification Criteria. There is no minimum funding requirement to open a BitGo Trust account or submit investment commitments. You are not obligated to purchase shares at the time you submit an investment commitment. However, once we accept your investment commitment for our Class A Interests, you will become obligated to purchase the amount of the investment commitment accepted. Before we will accept your investment commitment for our Class A Interests in this offering, you must have sufficient funds in your account to cover the purchase price for such shares. You will not be required to deposit funds into your BitGo Trust account sufficient to cover the purchase price of the Class A Interests you reserved until after the registration statement is declared effective by the SEC. Finally, even if you open an account with BitGo Trust, submit an investment commitment for our Class A Interests and have sufficient funds deposited in your account to cover the entire purchase price for such shares, you still may not receive your complete allocation of shares in our offering for a number of reasons described below.

Once a BitGo Trust account is opened, you will be required to complete your investment commitment on the WealthBlock platform by (1) selecting which class(es) of securities to purchase, and the amounts of each; (2) e-sign the subscription agreement; (3) select your payment method; and (4) submit the investment commitment for processing. After being submitted, the investment commitment is registered with a status of "pending funding" until funds are received in escrow. When funds are received and available, BitGo Trust will automatically notify WealthBlock that that the investment commitment is funded and pending a closing.

Any funds that you may deposit in your BitGo Trust account, whether before or after the time you submit an investment commitment, will not be withdrawn by BitGo Trust until such time, if at all, as your investment commitment has been closed. Investment commitments that are never funded can be cancelled at any time. Investment commitments that are funded but not closed upon can be refunded and cancelled by requesting an electronic transfer of funds or a check from BitGo Trust.

Funds in your BitGo Trust account will not be designated for use in a particular offering at the time of deposit and any of your deposited funds may be used to purchase securities other than those offered pursuant to this registration statement. However, at the time we close on any investment commitments placed by you for a Class A-1 Interest, Class A-2 Interest, Class A-3 Interests, or Class A-4 Interests, all available funds will first be applied towards the purchase of the reserved securities.

Neither we nor the placement agents have undertaken any efforts to qualify this offering for offers to investors in any jurisdiction outside the United States. Investors must have a mailing address in Illinois, Florida, New York or Texas (other than a P.O. Box) and a U.S. social security number and/or a U.S. tax identification number to be eligible to participate in this offering.

Reconfirmations of Investment Commitments

We will require that potential investors reconfirm their investment commitments that they have submitted in this offering if any of the following events shall occur:

- more than 15 days have elapsed since the potential investor submitted his or her investment commitment in this offering; or
- there has been a material change to the prospectus available to the potential investor at the time of such potential investor's original investment commitment.

If a reconfirmation of investment commitments is required, we will send an electronic notice, at the email address on file with WealthBlock, notifying such potential investors that they must affirmatively reconfirm their investment commitment by visiting their account page on the BitGo Trust website to reconfirm the investment commitment, or by otherwise contacting the lead placement agent, Loop Capital Markets LLC. If a potential investor does not reconfirm his or her investment commitment when requested, we will disregard such investment commitment in this offering, and such investment commitments will be deemed to have been withdrawn.

The Closing Process

This offering will terminate upon the earlier to occur of (i) 30 days after the registration statement of which this prospectus forms a part becomes effective with the SEC or (ii) the date on which all Class A Interests offered hereby have been sold. You will have the ability to withdraw any investment commitment you make until such time that we close on the investment commitment. Such closing will occur when and if we conduct a closing via the WealthBlock platform. As noted above, if you are requested to reconfirm your investment commitment and fail to do so, your investment commitment will be deemed to have been withdrawn.

As noted above, you may deposit funds in your BitGo Trust account after the time you submit a investment commitment, but we will only close on funded investment commitments at the time of closing, and BitGo Trust will not withdraw any funds from your account until such time as any portion of your investment commitment has been closed upon. You may cancel your investment commitment at any time prior to closing. This offering will not be considered sold until all investment commitments have been closed upon. WealthBlock will provide an electronic notice of effectiveness to you, at the email address on file with WealthBlock, at least three days prior closing on investment commitments, which will be your final notice to withdraw your investment commitment. The notice will further inform you that investment commitments for Class A-1 Interests, Class A-2 Interests, Class A-3 Interests, or Class A-4 Interests will only be considered to the extent you have sufficient funds in your account to cover the purchase price for such shares. If your investment commitment is closed upon, that sale shall be consummated, you will be unable to cancel your investment commitment and funds will be withdrawn from your account.

Promptly after we and the placement agents request the SEC to declare this registration statement effective, WealthBlock will provide an electronic notice to you, at the email address on file with WealthBlock, that such request for effectiveness has been made. Once the registration statement is effective, WealthBlock will send you a second electronic notice, at the email address on file with WealthBlock, informing you that the registration statement is effective and that we may close on your funded investment commitment in as little as three days. In the event investment commitments are placed subsequent to the SEC declaring this registration statement effective, you will receive a final electronic notice, at the email address on file with WealthBlock, informing you of your ability to withdraw your investment commitment or fund your account in amounts sufficient to cover your investment commitments and that we may close on your funded investment commitment in as little as twenty-four hours. WealthBlock will stop allowing investment commitments to be made at least twenty-four hours prior to when we intend to close on funded investment commitments. Until investment commitments are closed upon, you may still withdraw your investment commitments. However, once your funded investment commitment has been closed upon, you may no longer withdraw your investment commitments. At this point, investment commitments will be deemed accepted orders and WealthBlock will send you a confirmation of the transaction, at the email address on file with WealthBlock.

Settlement for sales of Class A Interests will occur when funded investment commitments are closed upon. At such time, BitGo Trust will withdraw the sufficient funds from your account and we will deliver the Class A-1 Interests, Class A-2 Interests, Class A-3 Interests, or Class A-4 Interests to your BitGo Trust account.

We caution you not to submit an investment commitment in this offering unless you are willing to take the risk that our Class A Interests price could decline significantly and you could lose your entire investment in our Class A Interests. Subsequent trades of Class A Interests will be significantly limited and burdensome to complete and will also entail significant transaction costs, which could reduce or eliminate your return on investment.

The Allocation Process

In the event that the number of shares represented by investment commitments during the initial offering period exceeds the number of shares we are offering, the offered shares will need to be allocated across the group of potential investors who have submitted investment commitments, at our sole discretion. The manner in which we determine allocations will be in our sole discretion, subject to compliance with

applicable laws, rules, and regulations.

Limited Secondary Trading

This prospectus is not an offer to sell our Class A Interests and it is not a solicitation of an offer to buy our Class A Interests in any jurisdiction where an offer or sale thereof is not permitted. As of the date of this prospectus, we plan to exclusively offer our Class A Interests described in this prospectus for sale only in the states of Illinois, Florida, New York and Texas.

We will not sell our Class A Interests to customers in any jurisdiction outside of Illinois, Florida, New York and Texas. As of the date of this prospectus, we expect that, concurrent with the effectiveness of this registration statement, we will be qualified to sell Class A Interests in this offering under Blue Sky laws in Illinois, Florida, New York and Texas.

In addition, after the closing of this offering, you may not sell your Class A Interests (a secondary sale) to any person without first complying with the transferability restrictions described in "*Shares Eligible for Future Sale — Secondary Market and Restrictions on Transferability and Redemption of Class A Interests*."

Directed Share Program

We have reserved up to 300 Class A Interests, or approximately 3.0% of our Class A Interests, for sale to our director nominees on the same terms as the Class A Interests being purchased by investors in this offering. These persons must commit to purchase at the same time as the investors in this offering. The number of Class A Interests available for sale in this offering will be reduced to the extent these persons purchase the reserved Class A Interests.

CONCURRENT PRIVATE PLACEMENTS

The private placement investors have entered into agreements with us pursuant to which they have agreed to purchase Class A-1 Interests, Class A-2 Interests, Class A-3 Interests and Class A-4 Interests, respectively, in the concurrent private placements at a price per share equal to the initial public offering. The concurrent private placements are being made pursuant to Rule 506(c) under Regulation D promulgated under the Securities Act. Each private placement investor has represented to us in writing that such private placement investor qualified as an "Accredited Investor" as such term is defined by Regulation D promulgated under the Securities Act, and has provided us with additional documentation to assist us in verifying such private placement investor's status as an Accredited Investor. The concurrent private placements are only being entered into with individuals and entities that attest to satisfying the Class A Qualification Criteria. Our agreements with the private placement investors are contingent upon, and are scheduled to close immediately subsequent to, the closing of this offering as well as the satisfaction of certain conditions to closing.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there was no public market for our Class A Interests, and, due to transferability restrictions, an active market for our Class A Interests will not likely develop in the future.

Upon the closing of this offering and the concurrent private placements and the consummation of the Transactions, we will have outstanding (i) an aggregate of 10,000 Class A Interests and (ii) an aggregate of 30,000 Class B Interests. Of these shares, the Class A Interests sold in this offering, subject to the restrictions described below, will be freely tradable without restriction or further registration under the Securities Act, except for any Class A Interests purchased by our "affiliates" as that term is defined in Rule 144 under the Securities Act, whose sales would be subject to the Rule 144 resale restrictions described below, other than the holding period requirement.

The remaining 30,000 Class A Interests and Class B Interests will be "restricted securities," as that term is defined in Rule 144 under the Securities Act. These restricted securities, in addition to the restriction described below, are eligible for public sale only if they are registered under the Securities Act or if they qualify for an exemption from registration under Rules 144 or 701 under the Securities Act, which are summarized below.

In addition, neither our Class A Interests nor our Class B Interests will be listed on any national securities exchange or on any other stock exchange, regulated trading facility or automated dealer quotation system in the United States or internationally. Our Class A Interests are also subject to restrictions on transferability and redemption provisions, as described below, which will materially impact the ability of holders of our Class A Interests to transfer their shares.

Secondary Market and Restrictions on Transferability and Redemption of Class A Interests

Our Class A Interests will not be listed on any national securities exchange or on any other stock exchange, regulated trading facility or automated dealer quotation system in the United States or internationally.

Transfers of Class A Interests With Our Consent

Holders of our Class A Interest may only sell or transfer Class A Interests with our consent to individuals or entities that attest to satisfying the following criteria (the "Class A Qualification Criteria"):

- If an individual, such individual shall:
  - be a Minority or a woman;
  - not be an official, employee, or a family member of an official or employee of the City of Chicago;
  - not have been convicted of a felony under the laws of any jurisdiction, including the United States or any state;
  - not have been convicted of illegal gambling under any statute in any jurisdiction, including Article 28 of the Illinois Criminal Code of 1961 and Article 28 the Illinois Criminal Code of 2012 or any other similar statutes in any jurisdiction;
  - not be a member of the Illinois Gaming Board;
  - not have had a license to operate gambling facilities in any jurisdiction revoked or suspended;
  - not have knowledge of any facts or circumstances that would be disqualifying under the Illinois Gambling Act;
  - not be an individual whose background, reputation and associations would dishonor or harm the reputation of, or result in adverse publicity for, Bally's, Bally's Chicago, Inc., the City of Chicago, the State of Illinois or the gaming industry in Illinois;
  - consent to undergo a background check; and

- have submitted a qualification application to us; or

- If an entity:
  - such entity shall be created or organized under the laws of the United States, any state thereof or the District of Columbia;
  - such entity shall be at least 51% controlled by one or more individuals that are Minorities or women;
  - in the case of a publicly-held business, such entity shall cause its management, policies, major decisions and daily business operations to be independently managed and controlled by one or more Minority persons;
  - no officer, director, managerial employee or, direct or indirect, owner of such entity shall be an official, employee, or a family member of an official or employee of the City of Chicago;
  - no officer, director, managerial employee or, direct or indirect, owner of such entity shall have been convicted of a felony under the laws of any jurisdiction, including the United States or any state;
  - no officer, director, managerial employee or, direct or indirect, owner of such entity shall have been convicted of illegal gambling under any statute in any jurisdiction, including Article 28 of the Illinois Criminal Code of 1961 and Article 28 the Illinois Criminal Code of 2012 or any other similar statutes in any jurisdiction;
  - no officer, director, managerial employee or, direct or indirect, owner of such entity shall be a member of the Illinois Gaming Board;
  - no officer, director, managerial employee or, direct or indirect, owner of such entity shall have had a license to operate gambling facilities in any jurisdiction revoked or suspended;
  - not have knowledge of any facts or circumstances that would be disqualifying under the Illinois Gambling Act;
  - no officer, director, managerial employee or, direct or indirect, owner of such entity shall be an individual whose background, reputation and associations would dishonor or harm the reputation of, or result in adverse publicity for, Bally's, Bally's Chicago, Inc., the City of Chicago, the State of Illinois or the gaming industry in Illinois;
  - such entity shall consent to undergo a background check of the entity and its direct and indirect owners, officers, managers, directors and/or any other control person, as applicable; and
  - such entity shall have submitted a qualification application to us.

Our Class A Interests cannot be transferred to employee benefit plans, IRAs or Plans (as defined herein).

We will use our best efforts to maintain a list of individuals or entities that indicate interest in purchasing our Class A Interests, submit a qualification application to us and we determine in our sole discretion that they meet the Class A Qualification Criteria (the "Interested Parties"). The qualification application, among other things, will require the applicant to:

- certify that such applicant meets the Class A Qualification Criteria;
- consent to a background check; and
- certify that such applicant is a United States person (within the meaning of Section 7701(a)(30) of the Code) by providing a properly executed IRS Form W-9.

Holders of our Class A Interests who desire to sell or transfer all or any portion of any of their Class A Interests (each such holder individually, the "Offering Holder" and each such Class A Interest to be sold, an "Offered Interest") will be required to submit an application for sale (the "Intention to Sell Notice") to us.

193

The Intention to Sell Notice must include:

- the amount of Offered Interests;
- the minimum price per Offered Interest that the Offering Holder would accept; and
- whether the Offering Holder has received an offer from a third party and, if so, the price offered by such third party.

Following the submission of the Intention to Sell Notice, the Interested Parties may submit offers to the Offering Holder to purchase the Offered Interests. The Offering Holder will then choose the offer that it desires to accept (the "Transfer Offer") and notify the Transfer Offer's offeror (the "Prospective Purchaser") of its intention to accept the Transfer Offer.

We, in our sole discretion, may require the Prospective Purchaser to submit a qualification application, even if such Prospective Purchase has submitted a previous qualification application, before approving the transfer of the Offered Interests. If the Prospective Purchaser meets the Class A Qualification Criteria, as determined by us in our sole discretion, the Offered Interests may be transferred to the Prospective Purchaser.

Transfers of Class A-1 Interests, Class A-2 Interests and Class A-3 Interests

In the event that a holder of Class A-1 Interests, Class A-2 Interests and/or Class A-3 Interests wishes to sell, dispose or otherwise transfer such holder's Interests, such holder may only sell, dispose or otherwise transfer such Interests after the Subordinated Loans attributable to such Interests have been paid in full and such Interests are converted to Class A-4 Interests. In the event that a holder of Class A-1 Interests, Class A-2 Interests or A-3 Interests desires to transfer their Class A-1 Interests, Class A-2 Interests or Class A-3 Interests and the Subordinated Loan attributable to such holder's shares have not been paid in full (either through cash available through distribution or otherwise), such holder or the transferee, may elect to pay the remaining balance of the Subordinated Loans attributable to such shares of stock and convert such shares of stock into Class A-4 Interests before effectuating such sale, disposition or transfer.

Permitted Transfers of Class A Interests Without Our Consent

Notwithstanding the foregoing, holders of our Class A Interests may transfer their Class A Interest without our consent (each a "Permitted Transferee"):

- to any individual or entity that meets the Class A Qualification Criteria who, directly or indirectly (including through one or more intermediaries), controls, is controlled by or is under common control with, such person or entity, including any partner, member, stockholder or other equity holder of such person or entity or manager, director, officer or employee of such person or entity;
- as bona fide gifts to any individual or entity that meets the Class A Qualification Criteria that is the legal representative, heir, beneficiary or a member of the immediate family of such holder;
- by operation of law pursuant to a court order, decree or judgment to any person or entity that meets the Class A Qualification Criteria; or
- to the Company.

Optional Redemption in Case of Transfers in Violation of Transfer Restrictions

Any purported transfer of Class A Interests in violation of the restrictions above shall be null and void ab initio. If, notwithstanding the above restrictions, a person, voluntarily or involuntarily (including by way of a foreclosure), purportedly becomes or attempts to become, the purported owner of Class A Interests, in violation of the above restrictions, the Company may redeem such Class A Interests for $0.001 per share. In the event that the Company exercises its right to redeem such Class A Interests, the Company shall also be required to redeem, out of funds legally available therefor, an amount of Class B Interests that is three times the number of Class A Interests being redeemed for $0.001 per share from certain stockholders as

determined by the Board.

Drag-Along Rights

In the event that Bally's Corporation (or any successor entity) proposes and/or we (as applicable) propose to sell us or all or substantially all of our assets to a third party purchaser, or agrees to any other transaction that would result in Bally's Corporation no longer directly or indirectly controlling a majority of our outstanding shares (each a "Drag-Along Sale"), Bally's Corporation will have the right, after delivering the Drag-Along Notice, to require each other holder of our stock to participate in such Drag-Along Sale, on substantially the same terms and conditions as Bally's Corporation (the "Drag-Along Right").

If Bally's Corporation exercises its Drag-Along Right, the other holders of our stock will be required to:

- sell their shares if the transaction is structured as an equity sale;
- vote in favor of the proposed transaction if the transaction is structured as an asset sale, merger, reorganization or recapitalization or otherwise requires a stockholder vote for approval; and
- not object to the proposed transaction and waive any dissenters', appraisal or similar rights they may have in connection with the proposed transaction.

If Bally's Corporation wants to exercise its Drag-Along Right, it must do so by delivering notice to the other holders of our stock within 10 days after execution of the definitive documents for the proposed transaction, and no later than 20 business days before the closing of the proposed transaction. The notice must describe the terms of the proposed Drag-Along Sale in reasonable detail.

Tag-Along Rights

If any holder of Class B Interests (the "Selling Holder") proposes to transfer any of its Class B Interests (the "Tag-Along Interest") to any person, each holder of Class A Interests (each, a "Tag-Along Holder") will be permitted to participate in such sale (a "Tag-Along Sale") on the terms and conditions set forth below (the "Tag- Along Right"), except for transfers made in connection with the Drag-Along Rights.

If a Selling Holder proposes to transfer any Tag-Along Interests, they must give notice to us and each other Tag-Along Holder, describing the terms of the proposed Tag-Along Sale. Upon receipt of such notice:

- The Tag-Along Holders will then have 10 business days to decide if they want to participate in the Tag-Along Sale by selling some of their Class A Interests.
- The Selling Holder and each Tag-Along Holder that elects to participate in the Tag-Along Sale shall deliver a notice to us and such Tag-Along Holder will have the right to transfer their *pro rata* portion of the Tag-Along Interests, based on the number of Class A Interests owned by each such holder and the aggregate amount of Class A Interests and Class B Interests outstanding at such time.

A Tag-Along Holder can choose to sell less than their entire *pro rata* portion of the Tag-Along Interests in the Tag-Along Sale, and any such Tag-Along Interests not sold by a Tag-Along Holder can be sold by the Selling Holder.

Transfers of Class A Interests by Death

In the event of the death of a holder of our Class A Interests, and the transferee or transferees meet the Class A Qualification Criteria at the time of such death, we will have the right to elect to repurchase the Class A Interests held by such holder, which we may exercise by delivering a notice (the "Repurchase Notice") to the estate of the deceased or incapacitated holder within 60 days after the date on which we were notified of such death. We will then have 90 days from the date on which we deliver the Repurchase Notice to purchase the Class A Interests of such holder, at a price equal to eight times our latest four fiscal quarters EBITDA divided by the amount of total Interests then outstanding, which price shall be set forth in the Repurchase Notice. We define *EBITDA* as earnings or loss before interest, taxes, depreciation and amortization, non-cash stock-based compensation, gain or loss on asset disposals or impairment, and certain other unusual or non-cash income and expense items such as gains or losses on settlement of liabilities and

exchanges, and changes in the fair value of derivatives, if applicable. In the event that we exercise our right to

repurchase such Class A Interests, we will at the same time also be required to redeem, out of funds legally available therefor, an amount of Class B Interests that is three times the number of Class A Interests being redeemed for $0.001 per share.

In the event of the death of a holder of our Class A Interests, and the transferee or transferees do not meet the Class A Qualification Criteria at the time of such death, we will have the right to elect to repurchase the Class A Interests held by such holder, which we may exercise by delivering a Repurchase Notice to the estate of the deceased holder at any time after the date on which we were notified of such death, unless the transferee or transferees meet the Class A Qualification Criteria at a later date and deliver a notice to us, in which case we may exercise our repurchase right by delivering the Repurchase Notice within 60 days of such date. We will then have 90 days from the date on which we deliver the Repurchase Notice to purchase the Class A Interests of such holder, at a price equal to eight times our latest four fiscal quarters EBITDA divided by the amount of total Interests then outstanding, which price shall be set forth in the Repurchase Notice. In the event that we exercise our right to repurchase such Class A Interests, we will at the same time also be required to redeem, out of funds legally available therefore, an amount of Class B Interests that is three times the number of Class A Interests being redeemed for $0.001 per share.

Right of First Refusal

Commencing on the fifth anniversary of the closing of this offering, we and Bally's Corporation will have a right of first refusal (the "Right of First Refusal") to purchase Offered Interests at a price equal to the Transfer Offer's price set forth in the Transfer Offer Notice. Within five (5) business days of receiving an offer to purchase any Offered Interests and prior to accepting such offer, the holder thereof must deliver a notice (the "Transfer Offer Notice") to us specifying in reasonable detail the terms of the offer, including the number of Offered Interests to be transferred and the offer price for the Offered Interests. We will have 20 days from the date the Transfer Offer Notice is delivered to us to decide if we want to purchase any of the Offered Interests. If we do not choose to purchase all of the Offered Interests, the holder thereof must deliver the Transfer Offer Notice to Bally's Corporation specifying in reasonable detail the terms of the offer, including the number of the remaining Offered Interests to be transferred and the offer price for the Offered Interests. Bally's Corporation will have 20 days from the date the Transfer Offer Notice is delivered to it to decide if it wants to purchase any of the remaining Offered Interests at the offer price set forth in the Transfer Offer Notice.

If we and Bally's Corporation decide to not exercise the Right of First Refusal partially or in full and the Prospective Purchaser meets the Class A Qualification Criteria, as determined by us in our sole discretion, the remaining Offered Interests may be transferred to the Prospective Purchaser at the offer price set forth in the Transfer Offer Notice.

The Right of First Refusal will not apply to the following:

- transfers to a Permitted Transferee;
- transfers made in connection with the Drag-Along Right;
- transfers made in connection with the Tag-Along Right; and
- transfers made in connection with the Right of First Refusal after we and Bally's Corporation decline to exercise the Right of First Refusal in full.

No Affiliation with the City of Chicago

Officials, employees, or family members of an official or employee of the City of Chicago are not permitted to, directly or indirectly, hold any of our Interests.

Rule 144

Affiliate Resales of Restricted Securities

In general, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, a person who is an affiliate of ours, or who was an affiliate at any time during the

90 days before a sale, who has beneficially owned our Class A Interests for at least 180 days would be, subject to the restrictions described above, entitled to sell in "broker's transactions" or certain "riskless principal transactions" or to market makers, a number of Class A Interests within any three-month period that does not exceed the greater of:

- 1% of the number of Class A Interests then outstanding; and
- the average weekly trading volume in our Class A Interests during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Affiliate resales under Rule 144 are also subject to the availability of current public information about us. In addition, if the number of Class A Interests being sold under Rule 144 by an affiliate during any three-month period exceeds 5,000 Class A Interests or has an aggregate sale price in excess of $50,000, the seller must file a notice on Form 144 with the SEC concurrently with either the placing of a sale order with the broker or the execution directly with a market maker.

Non-Affiliate Resales of Restricted Securities

Under Rule 144, a person who is not an affiliate of ours at the time of sale, and has not been an affiliate at any time during the 90 days preceding a sale, and who has beneficially owned Class A Interests for at least six months but less than a year, is entitled to sell such shares subject only to the availability of current public information about us. If such person has held our Class A Interests for at least one year, such person can resell without regard to any Rule 144 restrictions, including the 90-day public company requirement and the current public information requirement.

Non-affiliate resales are not subject to the manner of sale, volume limitation or notice filing provisions of Rule 144.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO U.S. HOLDERS

The following discussion describes the material U.S. federal income tax consequences to U.S. Holders (as defined herein) of the purchase, ownership and disposition of our Class A Interests issued pursuant to this offering, but does not purport to be a complete analysis of all potential tax effects. The effects of other U.S. federal tax laws, such as estate and gift tax laws, and any applicable state, local or non-U.S. tax laws are not discussed. This discussion also does not address any tax consequences to investors that are not U.S. Holders, who are generally not entitled to participate in this offering and not permitted as transferees of our Class A Interests. This discussion is based on the Code, Treasury Regulations promulgated thereunder, judicial decisions and published rulings and administrative pronouncements of the U.S. Internal Revenue Service (the "IRS"), in each case in effect as of the date hereof. These authorities may change or be subject to differing interpretations. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a U.S. Holder. We have not sought and will not seek any rulings from the IRS regarding the matters discussed below. There can be no assurance that the IRS or a court will not take a contrary position to that discussed below regarding the tax consequences of the purchase, ownership and disposition of our Class A Interests.

This discussion is limited to U.S. Holders that hold our Class A Interests as "capital assets" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all U.S. federal income tax consequences relevant to a U.S. Holder's particular circumstances, including the impact of the Medicare contribution tax on net investment income and any alternative minimum tax. In addition, it does not address consequences relevant to U.S. Holders subject to special rules, including, without limitation:

- persons holding our Class A Interests as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies and other financial institutions;
- brokers, dealers or traders in securities;
- partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes (and investors therein);
- tax-exempt organizations or governmental organizations;
- persons deemed to sell our Class A Interests under the constructive sale provisions of the Code;
- persons who hold or receive our Class A Interests pursuant to the exercise of any employee stock option or otherwise as compensation;
- tax-qualified retirement plans; and
- persons subject to special tax accounting rules as a result of any item of gross income with respect to the stock being taken into account in an applicable financial statement.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds our Class A Interests, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly, partnerships holding our Class A Interests and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY. INVESTORS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR CLASS A INTERESTS ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

Definition of a U.S. Holder

For purposes of this discussion, a "U.S. Holder" is any beneficial owner of our Class A Interests that, for U.S. federal income tax purposes, is or is treated as any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation created or organized under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust that (1) is subject to the primary supervision of a U.S. court and the control of one or more "United States persons" (within the meaning of Section 7701(a)(30) of the Code) or (2) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.

Distributions

Distributions of cash or property on our Class A Interests will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Amounts not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and first be applied against and reduce a U.S. Holder's adjusted tax basis in its applicable series of Class A Interests, but not below zero. Any excess will be treated as capital gain and will be treated as described below under "— Sale or Other Taxable Disposition."

Dividends received by a corporate U.S. Holder may be eligible for a dividends-received deduction, subject to applicable limitations, provided that certain holding period and other requirements are satisfied. Dividends received by certain non-corporate U.S. Holders (including individuals) are generally taxed at the lower applicable long-term capital gains rates, provided certain holding period and other requirements are satisfied.

Dividends that exceed certain thresholds in relation to a corporate U.S. Holder's tax basis in the applicable series of Class A Interests could be characterized as "extraordinary dividends" under the Code. If a corporate U.S. Holder that has held the applicable series of Class A Interests for two years or less before the dividend announcement date receives an extraordinary dividend, the U.S. Holder generally will be required to reduce its tax basis (but not below zero) in the applicable series of Class A Interests with respect to which the dividend was made by the non-taxed portion of the dividend. If the amount of the reduction exceeds the U.S. Holder's tax basis in the applicable series of Class A Interests, the excess is treated as gain from the sale or exchange of the applicable series of Class A Interests. Non-corporate U.S. Holders that receive an extraordinary dividend will be required to treat any losses on the sale of applicable series of Class A Interests as long-term capital losses to the extent of the extraordinary dividends such U.S. Holder receives that qualify for taxation at the preferential rates discussed above.

Deemed Distributions on Class A Interests

Section 305 of the Internal Revenue Code provides that if a corporation distributes property to some shareholders and other shareholders have an increase in their proportionate interests in the assets or earnings and profits of the corporation, such other shareholders may be deemed to receive a distribution that could be a taxable dividend. In this case, because we and Bally's expect to treat the Subordinated Loans as "stock" for U.S. federal income tax purposes, "property" distributions will likely be considered to be made to "some shareholders" of Bally's Chicago, Inc. as payments are made on the Subordinated Loans, and equivalent cash ("property") distributions will be made with respect to the Class A-4 Interests. In addition, as payments are made on the Subordinated Loans, particularly those that repay the original principal amount of such Subordinated Loans, the proportionate interests of holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests in the assets or earnings and profits of Bally's Chicago, Inc. may be viewed as increasing. Accordingly, it is possible that such increase could be treated as a deemed distribution under Section 305 of the Code or otherwise as taxable income to such holders under other theories. However, under the Treasury Regulations relating to Section 305 of the Code and other IRS administrative guidance, certain financing arrangements in the form of preferred stock investments that fund a corporation and then are systematically eliminated through property distributions until they are fully retired, and are designed

to facilitate the ownership of a business with an effect of increasing another stockholder's proportionate interests in the assets or earnings and profits of a corporation over such period, do not result in a deemed distribution to such other stockholder. The applicability of these authorities to the holders of our Class A-1 Interests, Class A-2 Interests and Class A-3 Interests in this situation is uncertain. Although the matter is not free from doubt, we intend to take the position, and this discussion assumes, that U.S. Holders of applicable series of Class A Interests would not be treated as receiving a deemed distribution from us or otherwise realizing income as a result of repayment of the Subordinated Loans corresponding to such shares. However, there can be no assurance that the IRS will not take a contrary position, for example, treating the proportionate interest in our earnings and profits owned by U.S. Holders of the applicable series of Class A Interests as having increased upon repayment of the Subordinated Loans corresponding to such shares, and treating such U.S. Holders as having received a distribution. In that case, such deemed distribution will be taxable as a dividend, return of capital or capital gain as described above under "—*Distributions*," and U.S. Holders may be subject to U.S. federal income tax without the receipt of any cash. U.S. Holders should consult their own tax advisors about the application of Code Section 305 and any other potential deemed receipt of income risk with respect to our Class A Interests.

Sale or Other Taxable Disposition

Upon the sale or other taxable disposition of a Class A Interest, a U.S. Holder generally will recognize capital gain or loss equal to the difference between the amount realized and the U.S. Holder's adjusted tax basis in the Class A Interest. Such capital gain or loss will be long-term capital gain or loss if a U.S. Holder's holding period at the time of the sale or other taxable disposition of the Class A Interest is longer than one year. Long-term capital gains recognized by certain non-corporate U.S. Holders (including individuals) are generally subject to a reduced rate of U.S. federal income tax. The deductibility of capital losses is subject to limitations.

Information Reporting and Backup Withholding

Information reporting requirements generally will apply to payments of dividends on the Class A Interests and the proceeds of a sale or other taxable disposition of Class A Interests paid to a U.S. Holder unless the U.S. Holder is an exempt recipient and, if required, certifies as to that status. Backup withholding generally will apply to those payments if the U.S. Holder fails to provide an appropriate certification with its correct taxpayer identification number or certification of exempt status. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or credit against a U.S. Holder's U.S. federal income tax liability, provided that the required information is timely furnished to the IRS.

CERTAIN ERISA CONSIDERATIONS

Class A Interests are not permitted to be acquired or held by employee benefit plans that are subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), plans, individual retirement accounts ("IRAs") and other arrangements that are subject to Section 4975 of the Code, or provisions under any federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, "Similar Laws"), and entities whose underlying assets are considered to include "plan assets" of such plans, accounts and arrangements pursuant to 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA, or any Similar Law (each, a "Plan").

General Fiduciary Matters

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code (an "ERISA Plan") and prohibit certain transactions involving the assets of an ERISA Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such an ERISA Plan or the management or disposition of the assets of such an ERISA Plan, or who renders investment advice for a fee or other compensation to such an ERISA Plan or has authority or responsibility to do so, is generally considered to be a fiduciary of the ERISA Plan.

Prohibited Transaction Issues

Section 406 of ERISA and Section 4975 of the Code prohibit ERISA Plans from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest," within the meaning of ERISA, or "disqualified persons," within the meaning of Section 4975 of the Code, unless an exemption is available. Those sections further prohibit a fiduciary from engaging in transactions in which a conflict of interest is deemed present. A party in interest or disqualified person (including a fiduciary) who engages in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. In addition, a fiduciary of the ERISA Plan that engages in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and the Code.

Governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA), while not subject to the fiduciary responsibility or prohibited transaction provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to federal, state, local, non-U.S. or other laws or regulations that are substantially similar to the foregoing provisions of ERISA or the Code.

Under a regulation of the U.S. Department of Labor, 29 C.F.R. 2510.3-101 (as modified by Section 3(42) of ERISA (the "Plan Assets Regulation")), if an ERISA Plan invests in an "equity interest" of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act of 1940, the ERISA Plan's assets are deemed to include both the equity interest and an undivided interest in each of the entity's underlying assets, unless, among other exceptions, the entity is an "operating company," as defined in the Plan Assets Regulation. It is not anticipated that the Issuer will qualify as an operating company. Under the Plan Assets Regulation, to be a "publicly-offered security" the security must be, among other conditions, freely transferable and part of a class of securities that is widely held. It is not clear that the Class A Interests will qualify as a security that is freely transferable or part of a class of securities that is widely held, as interpreted by the Plan Assets Regulation.

If any Class A Interests were deemed to be equity interests in the Issuer and no exception under ERISA or the Plan Assets Regulation applied, an undivided portion of the Issuer's assets would be deemed to be assets of each Plan that invests in those Class A Interests. In such case, certain transactions that the Issuer might enter into, or may have entered into, on behalf of the Issuer, in the ordinary course of its business, might be deemed to constitute direct or indirect "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code with respect to such Plan investors and might have to be rescinded.

Because of the foregoing, the Class A Interests should not be purchased or held by any person investing "plan assets" of any ERISA Plan, and should not be purchased or held by any person investing "plan assets"

of plans subject to Similar Law.

The foregoing discussion is general in nature and is not intended to be all-inclusive nor should it be construed as legal advice.

Representation

Accordingly, by acceptance of and/or holding a Class A Interest, each purchaser and subsequent transferee of a Class A Interest will be deemed to have represented and warranted that such purchaser or subsequent transferee is not acquiring or holding the Class A Interest for or on behalf of, and no portion of the assets used by such purchaser or transferee to acquire or hold the Class A Interests constitutes assets of, any ERISA Plan, or of any plan subject to Similar Law.

LEGAL MATTERS

The validity of the Class A Interests we are offering will be passed upon by Latham & Watkins LLP, New York, New York. Certain legal matters in connection with this offering will be passed upon for the placement agents by Winston & Strawn LLP, Chicago, Illinois.

EXPERTS

The financial statements of Bally's Chicago, Inc. as of December 31, 2023 and 2022, and for the year ended December 31, 2023 and for the period from May 24, 2022 (date of inception) to December 31, 2022, included in this prospectus, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report. Such financial statements are included in reliance upon the report of such firm given their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the Class A Interests being offered by this prospectus. This prospectus, which constitutes part of that registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules that are part of the registration statement. Some items included in the registration statement are omitted from the prospectus in accordance with the rules and regulations of the SEC. For further information with respect to us and the Class A Interests offered in this prospectus, we refer you to the registration statement and the accompanying exhibits and schedules. Statements contained in this prospectus regarding the contents of any contract, agreement or any other document to which reference is made are summaries of the material terms of these contracts, agreements or other documents. With respect to each of these contracts, agreements or other documents filed as an exhibit to the registration statement, reference is made to such exhibit for a more complete description of the matter involved.

A copy of the registration statement and the accompanying exhibits and schedules and any other document we file may be inspected without charge at the public reference facilities maintained by the SEC in 100 F Street, N.E., Washington, D.C. 20549 and copies of all or any part of the registration statement may be obtained from this office upon the payment of the fees prescribed by the SEC. The public may obtain information on the operation of the public reference facilities in Washington, D.C. by calling the SEC at 1-800-SEC-0330. Our filings with the SEC are available to the public from the SEC's website at www.sec.gov.

Upon the closing of this offering, we will be subject to the information and periodic reporting requirements of the Exchange Act applicable to a company with securities registered pursuant to Section 12 of the Exchange Act. In accordance therewith, we will file proxy statements, periodic information and other information with the SEC. All documents filed with the SEC are available for inspection and copying at the public reference room and website of the SEC referred to above.

INDEX TO FINANCIAL STATEMENTS

	Page No.
Report of Independent Registered Public Accounting Firm (PCAOB ID No. 34)	F-2
Consolidated Balance Sheets at December 31, 2023 and 2022	F-3
Consolidated Statements of Operations for the year ended December 31, 2023 and period from May 24, 2022 (date of inception) to December 31, 2022	F-4
Consolidated Statements of Changes in Stockholder's Equity for the year ended December 31, 2023 and period from May 24, 2022 (date of inception) to December 31, 2022	F-5
Consolidated Statements of Cash Flows for the year ended December 31, 2023 and period from May 24, 2022 (date of inception) to December 31, 2022	F-6
Notes to Consolidated Financial Statements	F-7
Unaudited Condensed Consolidated Balance Sheets at September 30, 2024 and 2023	F-24
Unaudited Condensed Consolidated Statements of Operations for the nine months ended September 30, 2024 and 2023	F-25
Unaudited Condensed Consolidated Statements of Changes in Stockholder's Equity for the nine months ended September 30, 2024 and 2023	F-26
Unaudited Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2024 and 2023	F-27
Notes to Unaudited Condensed Consolidated Financial Statements	F-28

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholder and the Board of Directors of Bally's Chicago, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Bally's Chicago, Inc. and its subsidiary (the "Company") as of December 31, 2023 and 2022, the related consolidated statements of operations, stockholder's (deficit) equity, and cash flows for the year ended December 31, 2023, and for the period from May 24, 2022 (date of inception) to December 31, 2022, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the year ended December 31, 2023, and for the period from May 24, 2022 (date of inception) to December 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter — Related Party Transactions

As described in the Note 3 to the consolidated financial statements, the Company has significant transactions with and balances due to and from Bally's Corporation, the Company's parent, and is dependent on its parent for the majority of its working capital and financing requirements.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

New York, New York
August 6, 2024 (December 12, 2024 as to Note 13)

We have served as the Company's auditor since 2022.

BALLY'S CHICAGO, INC.

CONSOLIDATED BALANCE SHEETS

(In thousands, except share data)

	December 31,	
	2023	**2022**
Assets		
Cash	$ 14,027	$ 1,092
Restricted cash	57,278	—
Accounts receivable	1,874	—
Inventory	466	—
Prepaid expenses and other current assets	6,235	784
Due from related party (Bally's Corporation) (Note 3)	974	974
Total current assets	80,854	2,850
Property and equipment, net	453,674	217,572
Right of use assets, net	12,111	15,446
Intangible assets	186,250	51,000
Other assets	4,378	—
Total assets	$737,267	$286,868
Liabilities and Stockholders' (Deficit) Equity		
Current portion of lease liabilities	3,678	3,247
Accounts payable	9,869	7,568
Accrued liabilities	60,012	1,414
Promissory notes to related party (Bally's Corporation) (Note 3)	527,230	—
Due to related party (Bally's Corporation) (Note 3)	—	15,816
Total current liabilities	600,789	28,045
Long-term portion of financing obligation	200,000	200,000
Long-term portion of lease liabilities	8,967	12,456
Total liabilities	809,756	240,501
Commitments and contingencies (Note 12)		
Stockholders' (deficit) equity:		
Common stock ($0.01 par value; 100 shares authorized; 100 and 100 shares issued; 100 and 100 shares outstanding	—	—
Additional paid-in-capital	974	63,465
Accumulated deficit	(73,463)	(17,098)
Total stockholders' (deficit) equity	(72,489)	46,367
Total liabilities and stockholders' (deficit) equity	$737,267	$286,868

The accompanying notes are an integral part of these consolidated financial statements.

BALLY'S CHICAGO, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except share and per share data)

	Year Ended December 31, 2023	Period from May 24, 2022 (date of inception) to December 31, 2022
Revenue:		
Gaming	$ 28,734	$ —
Non-gaming	3,443	—
Total revenue	32,177	—
Operating costs and expenses:		
Gaming	13,430	—
Non-gaming	2,138	—
General and administrative	36,441	15,057
Management fees to Bally's Corporation	20,680	424
Depreciation and amortization	5,705	—
Total operating costs and expenses	78,394	15,481
Loss from operations	(46,217)	(15,481)
Other income (expense):		
Interest income	2,778	—
Interest expense, net of amounts capitalized	(13,819)	(2,031)
Other non-operating income (expenses), net	893	414
Total other expense, net	(10,148)	(1,617)
Loss before provision for income taxes	(56,365)	(17,098)
Benefit for income taxes	—	—
Net loss	$ (56,365)	$ (17,098)
Basic loss per share	$(563,650)	$(170,980)
Weighted average common shares outstanding, basic	100	100
Diluted loss per share	$(563,650)	$(170,980)
Weighted average common shares outstanding, diluted	100	100

The accompanying notes are an integral part of these consolidated financial statements.

BALLY'S CHICAGO, INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' (DEFICIT) EQUITY

(In thousands, except shares)

	Common Stock		Additional Paid-in Capital	Accumulated deficit	Total Stockholders' (Deficit) Equity
	Shares Outstanding	Amount			
Balance as of May 24, 2022 (date of inception)	**—**	**$ —**	**$ —**	**$ —**	**$ —**
Issuance of common stock	100	—	—	—	—
Capital contributions from Bally's Corporation	—	—	63,465	—	63,465
Net loss	—	—	—	(17,098)	(17,098)
Balance as of December 31, 2022	**100**	**—**	**63,465**	**(17,098)**	**46,367**
Return of capital to Bally's Corporation	—	—	(62,491)	—	(62,491)
Net loss	—	—	—	(56,365)	(56,365)
Balance as of December 31, 2023	**100**	**$ —**	**$ 974**	**$(73,463)**	**$(72,489)**

The accompanying notes are an integral part of these consolidated financial statements.

BALLY'S CHICAGO, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	Year Ended December 31, 2023	Period from May 24, 2022 (date of inception) to December 31, 2022
Cash flows from operating activities:		
Net loss	$ (56,365)	$ (17,098)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	5,705	—
Non-cash lease expense	3,589	310
Changes in current operating assets and liabilities:		
Accounts receivable	(1,874)	—
Inventory	(466)	—
Prepaid expenses and other current assets	(5,451)	(784)
Accounts payable	(2,642)	5,799
Current portion of lease liabilities	(3,312)	(53)
Accrued liabilities	12,889	(5,878)
Net cash used in operating activities	(47,927)	(17,704)
Cash flows from investing activities:		
Purchase of land	—	(200,000)
Capital expenditures	(191,178)	(8,511)
Acquisition of gaming licenses	(135,250)	—
Net cash used in investing activities	(326,428)	(208,511)
Cash flows from financing activities:		
Proceeds from land financing obligation	—	200,000
Issuance costs	(3,914)	—
Financing from Bally's Corporation	448,482	27,307
Net cash provided by financing activities	444,568	227,307
Net change in cash and restricted cash	70,213	1,092
Cash and restricted cash, beginning of period	1,092	—
Cash and restricted cash, end of period	$ 71,305	$ 1,092
Supplemental disclosure of cash flow information:		
Cash paid for interest, net of amounts capitalized	$ 13,819	$ 2,031
Non-cash investing and financing activities:		
Unpaid property and equipment	$ 11,951	$ 9,061
Land development liability	47,739	—
Return of capital to Bally's Corporation	62,491	—
Promissory notes to related party (Bally's Corporation)	(62,491)	—
Gaming license – capital contribution	—	(51,000)
Tax receivable – capital contribution	—	(974)
Short term lease deposit – capital contribution	—	(4,500)
Expenses paid by Bally's Corporation – capital contribution	—	(6,991)

The accompanying notes are an integral part of these consolidated financial statements.

BALLY'S CHICAGO, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Description of Business

Bally's Chicago, Inc. (the "Company", "Bally's Chicago") was formed on May 24, 2022 and is a wholly owned subsidiary of Bally's Chicago Holding Company, LLC, a wholly owned subsidiary of Bally's Corporation. Bally's Chicago is a gaming, hospitality and entertainment company with the singular focus of building and operating a world-class entertainment destination resort in Chicago, Illinois. The Company intends to provide both Chicago residents and business and leisure travelers visiting Chicago with physical and interactive entertainment and gaming experiences.

On June 9, 2022, a wholly-owned subsidiary of the Company, Bally's Chicago Operating Company, LLC, signed a host community agreement with the City of Chicago to develop a destination casino resort, to be named Bally's Chicago, in downtown Chicago, Illinois that will include approximately 3,400 slot machines, 170 table games, 10 food and beverage venues, 500 hotel rooms, a 65,000 square foot entertainment and event center, a 20,000 square foot exhibition, outdoor music venue, 3,300 parking spaces and an outdoor green space. The project also provided the Company with the exclusive right to operate a temporary casino for up to three years while the permanent casino resort is constructed.

During construction of the permanent facility, the City of Chicago gave the Company the ability to build a temporary casino in downtown Chicago (the "Temporary Facility"). The Company opened the Temporary Facility situated in the location of the current Medinah Temple on September 9, 2023 which includes approximately 800 gaming positions and six food and beverage venues. The Company incurred approximately $67.2 million in costs in connection with the design and development of the temporary casino. The Company currently estimates the permanent casino (the "Permanent Facility") construction to be materially completed by the third quarter of 2026. However, there can be no assurances that the Company will be successful in so doing. Any increased construction costs could materially and adversely affect the return on the Company's investments.

Bally's Corporation

The Company's public company parent, Bally's Corporation (the "Parent"), is a global gaming, hospitality and entertainment company with a portfolio of casinos and resorts and online gaming businesses. Bally's Corporation provides its customers with physical and interactive entertainment and gaming experiences, including traditional casino offerings, iCasino, online bingo games, sportsbook and free-to-play.

Going Concern

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business and the ability of the Company to continue as a going concern for a reasonable period of time.

In accordance with Accounting Standards Codification ("ASC") 205-40, *Going Concern*, ("ASC 205-40") the Company evaluated the severity of the following adverse conditions that raise substantial doubt about its ability to continue as a going concern as of the date the accompanying financial statements were issued (the "issuance date").

- The Company has incurred significant losses and negative cash flows from operations since its inception and expects to continue to incur such losses and negative cash flows for the foreseeable future. In this regard, the Company incurred a net loss and used net cash in its operations of approximately $56.4 million and $47.9 million, respectively, during the year ended December 31, 2023. In addition, the Company has an accumulated deficit of $73.5 million and approximately

$14.0 million of cash on hand as of December 31, 2023. As a result, the Company has been dependent

of Bally's Corporation since its inception to fund substantially all of the Company's obligations as they become due and expects to continue to remain dependent on such funding for the foreseeable future.

- As disclosed in Notes 10 and 12, the Company is subject to a number of contractual obligations and commitments associated with the operation of the Temporary Facility and construction of the Permanent Facility, which includes a financing obligation of $200 million associated with the leased land on which the Permanent Facility will be constructed, as well as total committed costs that are expected to be incurred to construct the Permanent Facility of approximately $1.34 billion over the next three years.
- As of the issuance date, the Company did not have sufficient capital or available liquidity to fund the obligations and commitments that are expected to become due over the next twelve months beyond the issuance date. In particular, while the Temporary Facility commenced operations on September 9, 2023, the Company has not yet generated an ongoing source of net cash inflows from operations that are sufficient to cover the cost of operating the Temporary Facility, as well as construction costs associated with the Permanent Facility that are expected to be incurred over the next twelve months beyond the issuance date.

In response to the foregoing adverse financial conditions, the Company obtained a letter of support whereby Bally's Corporation has committed to fund all of the Company's operating, investing, and financing activities through at least December 31, 2025 and has further committed not to make any decision or action that would reasonably be expected to negatively affect the Company's ability to continue as a going concern through at least December 31, 2025.

The accompanying consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). The consolidated financial statements of Bally's Chicago include the accounts of the Company and its subsidiaries.

Use of Estimates in the Preparation of Consolidated Financial Statements

The preparation of consolidated financial statements in conformity with US GAAP requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and revenues and expenses and related disclosures of contingent assets and liabilities. On an ongoing basis, the Company evaluates its estimates and judgments including those related to intangible assets, recoverability and useful lives of tangible and intangible long-lived assets and valuation allowances for deferred tax assets. The Company bases its estimates and judgments on historical experience and other relevant factors impacting the carrying value of assets and liabilities. Actual results may differ from these estimates.

Cash and Restricted Cash

The Company considers all cash balances and highly liquid investments with an original maturity of three months or less to be cash and cash equivalents. Restricted cash includes cash collateral in connection with amounts due to the Chicago Tribune (refer to Note 7 "Property and Equipment"), which is unavailable for the Company's use. The following table reconciles cash and restricted cash in the consolidated balance sheets to the total shown on the consolidated statements of cash flows.

(in thousands)	December 31, 2023	December 31, 2022
Cash	$14,027	$1,092
Restricted cash	57,278	—

Total cash and restricted cash	$71,305	$1,092

Concentrations of Credit Risk

The Company's financial instruments which potentially expose the Company to concentrations of credit risk consisted of cash and cash equivalents and trade receivables. The Company maintains cash with financial institutions in excess of federally insured limits, however, management believes the credit risk is mitigated by the quality of the institutions holding such deposits.

Accounts Receivable

Accounts receivable consists of the following:

	December 31,	
(in thousands)	**2023**	**2022**
Gaming receivables	$1,570	$ —
Non-gaming receivables	304	—
Accounts receivable	$1,874	$ —

An allowance for doubtful accounts is determined to reduce the Company's receivables for amounts that may not be collected. The allowance is estimated based on historical collection experience, current economic and business conditions and forecasts that affect the collectability and review of individual customer accounts and any other known information. There was no allowance for doubtful accounts as of December 31, 2023 and 2022.

Inventory

Inventory is stated at the lower of cost or net realizable value on a first-in, first-out basis and consists primarily of food, beverage, promotional items and other supplies.

Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation and impairment losses, if applicable. Expenditures for renewals and betterments that extend the life or value of an asset are capitalized and expenditures for repairs and maintenance are charged to expense as incurred. The costs and related accumulated depreciation applicable to assets sold or disposed are removed from the balance sheet accounts and the resulting gains or losses are reflected in the consolidated statements of operations. Depreciation is recorded using the straight-line method over the estimated useful lives of the assets or the related lease term, if any, as follows:

	Years
Building and improvements	2 – 50
Equipment	2 – 10
Furniture and fixtures	2 – 10

Development costs directly associated with the acquisition, development and construction of a project are capitalized as a cost of the project during the periods in which activities necessary to prepare the property for its intended use are in progress. Interest costs associated with major construction projects are capitalized as part of the cost of the constructed assets. When no debt is incurred specifically for a project, interest is capitalized on amounts expended for the project using the weighted-average cost of borrowing. Capitalization of interest ceases when the project (or discernible portions of the project) is substantially complete. If substantially all of the construction activities of a project are suspended, capitalization of interest will cease until such activities are resumed.

Leases

The Company determines if a contract is or contains a lease at the contract inception date or the date in which a modification of an existing contract occurs. A contract is or contains a lease if the contract conveys

the right to control the use of an identified asset for a period in exchange for consideration. Control over

the use of the identified asset means the lessee has both (i) the right to obtain substantially all of the economic benefits from the use of the identified asset throughout the period of use and (ii) the right to direct the use of the identified asset.

Under ASC 842, *Leases*, the Company elected to account for lease and non-lease components as a single component for all classes of underlying assets. Additionally, the Company elected to not recognize short-term leases (defined as leases that are less than 12 months and do not contain purchase options) within the consolidated balance sheets.

The Company recognizes a lease liability for the present value of lease payments at the lease commencement date using its incremental borrowing rate commensurate with the lease term based on information available at the commencement date unless the rate implicit in the lease is readily determinable. Rent expense associated with the Company's leases and their associated variable expenses are reported in total operating costs and expenses within the consolidated statements of operations.

During the period from May 24, 2022 (date of inception) to December 31, 2022, the Company leased space, within a building on the land on which Bally's Chicago will be built, to third-party tenants, which were classified as operating leases. Revenue from tenant leases is included in "Other non-operating income (expenses), net" in the consolidated statements of operations.

During the year ended December 31, 2023, Bally's Chicago Operating Company, LLC entered into a Lease Termination and Short Term License Agreement with Chicago Tribune Company, LLC ("Tribune"), effective March 31, 2023, which among other things provides that the Company will have possession of 777 West Chicago Avenue, Chicago, Illinois 60610 (the "Permanent Chicago Site") on or before July 5, 2024, subject to payments by the Company to Tribune payable in full upon Tribune vacating the site on or prior to July 5, 2024. Refer to Note 7 "Property and Equipment" for further information.

The Company's ground lease, permitting the Company to develop the land during the term of the lease, is accounted for as a financing obligation in accordance with ASC 470, *Debt*, as the transaction did not qualify as a sale under ASC 842. Lease payments are included in "Interest expense, net of amounts capitalized" within our consolidated statements of operations. Refer to Note 10 "Leases" for further information.

Intangible Assets

The Company's intangible assets consist of a Chicago gaming license classified as indefinite-lived based on future expectations of operating Bally's Chicago indefinitely. Assessing indefinite-lived assets for impairment is a process that involves significant judgment and requires a qualitative and quantitative analysis with many assumptions which fluctuate based on our business. We review indefinite-lived intangible assets at least annually and between annual test dates if events or changes in circumstances indicate that it is more likely than not that the asset is impaired. The evaluation of indefinite-lived intangible assets requires the use of estimates about future operating results to determine the estimated fair value of the indefinite-lived assets (Refer to Note 8 "Intangible Assets" for further information).

Long-lived Assets

The Company reviews its long-lived assets, other than intangible assets not subject to amortization, for indicators of impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If an asset is still under development, the analysis includes the remaining construction costs. If the carrying value of the asset exceeds the expected undiscounted future cash flows generated by the asset, the asset is written down to its estimated fair value and an impairment loss is recognized. As of December 31, 2023, there have been no impairments in any period.

Revenue

The Company accounts for revenue earned from contracts with customers under ASC 606, *Revenue from Contracts with Customers* ("ASC 606"). The Company generates revenue from three principal sources: gaming, food and beverage, and retail, entertainment and other. Refer to Note 5 "Revenue Recognition" for further information.

Gaming Expenses

Gaming expenses include, among other things, payroll costs and expenses associated with the operation of slot machines and table games, including gaming taxes payable to the jurisdiction in which the Company operates.

Non-gaming Expenses

Non-gaming expenses, include, among other things, payroll costs and expenses associated with the operation of restaurants and retail operations.

General and Administrative Expense

General and administrative expenses consist primarily of salaries, bonuses and benefits for employees, legal and other professional services fees, and other general operating expenses.

Advertising Expenses

The Company expenses advertising costs as incurred. For the year ended December 31, 2023, advertising expense was $1.7 million and is included in "General and administrative" on the consolidated statements of operations. There was no advertising expense incurred during the period from May 24, 2022 (date of inception) to December 31, 2022.

Interest Expense, Net of Amounts Capitalized

Interest expense, net of amounts capitalized is comprised of lease payments related to the Company's long-term financing obligation, net of amounts capitalized for construction projects. Refer to Note 10 "Leases" for further information.

Defined Contribution Plans

The Company has a retirement savings plan under Section 401(k) of the Internal Revenue Code covering its employees. The plan allows employees to defer up to the lesser of the Internal Revenue Code prescribed maximum amount or 100% of their income on a pre-tax basis through contributions to the plan. Total employer contribution expense attributable to defined contribution plans was $0.1 million for the year ended December 31, 2023. There was no employer contribution expense attributable to defined contribution plans for the period from May 24, 2022 (date of inception) to December 31, 2022.

Income Taxes

The Company prepares its income tax provision in accordance with ASC 740, *Income Taxes*. Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that the rate change is enacted. A valuation allowance is required when it is "more likely than not" that all or a portion of the deferred taxes will not be realized. The consolidated financial statements reflect expected future tax consequences of uncertain tax positions presuming the taxing authorities' full knowledge of the position and all relevant facts.

Statement of Cash Flows

The Company has presented the consolidated statements of cash flows using the indirect method, which involves the reconciliation of net income to net cash flow from operating activities.

Fair Value Measurements

Fair value is determined using the principles of ASC 820, *Fair Value Measurement*. Fair value is described as the price that would be received to sell an asset or paid to transfer a liability in an orderly

transaction between market participants at the measurement date. The fair value hierarchy prioritizes and defines the inputs to valuation techniques as follows:

- Level 1: Observable quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2: Inputs are observable for the asset or liability either directly or through corroboration with observable market data.
- Level 3: Unobservable inputs.

The inputs used to measure the fair value of an asset or a liability are categorized within levels of the fair value hierarchy. The fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the measurement.

As of December 31, 2023 and 2022, the Company had cash and restricted cash of $71.3 million and $1.1 million, respectively, which was measured at fair value on a recurring basis and is classified within Level 1 of the fair value hierarchy.

3. RELATED PARTY TRANSACTIONS

Operations, as well as assets and liabilities, directly associated with the business activity of the Company are included in the consolidated financial statements. The consolidated financial statements include fees paid in accordance with the corporate services agreement, as described in Note 12 "Commitments and Contingencies", providing the Company with certain administrative and corporate services, beginning in September 2023 with the commencement of operations at the Temporary Facility of $20.0 million. Additionally, the consolidated financial statements include allocations of certain general, administrative, sales and marketing expenses from its Parent, which management believes is commensurate with services provided at fair value, of $0.7 million and $0.4 million for the for the year ended December 31, 2023 and for the period from May 24, 2022 (date of inception) to December 31, 2022, respectively. These fees and allocated expenses are recorded within "Management fees to Bally's Corporation" on the consolidated statements of operations.

The Company is dependent on its Parent for a majority of its working capital and financing requirements as Bally's uses a centralized approach to cash management and financing of its operations which are accounted for through a due to/from account. Accordingly, none of Bally's cash, cash equivalents or debt has been assigned to Bally's Chicago in the consolidated financial statements. Expenses paid by Bally's Corporation on the Company's behalf are reported within "Due to related party (Bally's Corporation)" on the consolidated balance sheet and was $15.8 million as of December 31, 2022. On December 31, 2023, the Company converted its Due to related party (Bally's Corporation) balances into the following promissory notes:

($ in thousands)	Loan Balance	Due Date(3)	Interest Rate
Promissory notes payable by Bally's Chicago Operating Company, LLC:			
Bally's Chicago Holding Company, LLC(1)(2)	$419,221	December 30, 2024	—%
Bally's Management Group, LLC(1)	43,256	December 30, 2024	—%
	$462,477		
Promissory notes payable by Bally's Chicago, Inc.:			
Bally's Chicago Holding Company, LLC(1)(2)	$ 64,784	December 30, 2024	—%
Promissory notes receivable by Bally's Chicago, Inc.:			
Bally's Management Group, LLC(1)	$ 31	December 30, 2024	—%
Consolidated promissory notes payable to related party (Bally's Corporation)	**$527,230**		

(1) A wholly owned subsidiary of Bally's Corporation.

(2) Includes capital returned of $62.5 million during the year ended December 31, 2023.

(3) Promissory notes are payable on the earlier of December 30, 2024, or the Company's initial public

offering.

Expenses paid by Bally's and considered capital contributions are reported within "Additional Paid in Capital" on the consolidated balance sheets. As of December 31, 2022, Additional Paid in Capital was $63.5 million primarily attributable to the $51.0 million gaming license (refer to Note 8 "Intangible Assets") and other miscellaneous funding. During the year ended December 31, 2023, the Company returned $62.5 million of capital to Bally's through the issuance of the intercompany promissory note above. On July 16, 2024, the Company made a $8.7 million payment on the intercompany promissory notes payable to Bally's.

During the period from May 24, 2022 (date of inception) to December 31, 2022, the Company incurred costs from the Parent related to pre-formation expenses of $7.0 million, which are recorded within "General and administrative" on the consolidated statements of operations. There were no pre-formation expenses incurred during the year ended December 31, 2023.

4. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

Standards to Be Implemented

In October 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-06, *Disclosure Improvements — Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative*. The amendments in this update align the requirements in the ASC to the Securities and Exchange Commission's ("SEC") regulations. The effective date for each amended topic in the ASC is the date on which the SEC's removal of the related disclosure requirement from Regulation S-X or Regulation S-K becomes effective. If by June 30, 2027, the SEC has not removed the related disclosure from its regulations, the amendments will be removed from the Codification and not become effective. Early adoption is prohibited. The Company is currently in the process of evaluating the impact of this amendment on its consolidated financial statements and related disclosures.

In November 2023, the FASB issued ASU No. 2023-07, *Segment Reporting (Topic 280) — Improvements to Reportable Segment Disclosures*. The amendments in this update enhance the disclosures required for significant segment expenses on an annual and interim basis. The guidance will apply retrospectively and is effective for annual reporting periods in fiscal years beginning after December 15, 2023, and interim reporting periods in fiscal years beginning after December 31, 2024. The Company is currently in the process of evaluating the impact of this amendment on its condensed consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740) — Improvements to Income Tax Disclosures*. The amendments in this update enhance the transparency and decision usefulness of income tax disclosures. This update will be effective for annual periods beginning after December 15, 2024 with early adoption permitted. The Company is currently in the process of evaluating the impact of this amendment on its consolidated financial statements and related disclosures.

5. REVENUE RECOGNITION

The Company recognizes revenue in accordance with ASC 606, which requires companies to recognize revenue in a way that depicts the transfer of promised goods or services. In addition, the standard requires more detailed disclosures to enable readers of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The Company generates revenue from three principal sources: (1) gaming, (2) food and beverage and (3) and other.

The Company determines revenue recognition through the following steps:

- Identify the contract, or contracts, with the customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to performance obligations in the contract; and
- Recognize revenue when or as the Company satisfies performance obligations by transferring the promised goods or services

The amount of revenue recognized by the Company is measured at the transaction price or the amount of consideration that the Company expects to receive through satisfaction of the identified performance obligations.

Gaming contains two performance obligations. Gaming transactions have an obligation to honor the outcome of a wager and to pay out an amount equal to the stated odds, including the return of the initial wager, if the customer receives a winning hand. These elements of honoring the outcome of the hand of play and generating a payout are considered one performance obligation. Revenue is recognized at the conclusion of each contest, wager or wagering game hand. The Company allocates a portion of the transaction price to certain customer incentives that create material future customer rights and are a separate performance obligation. In addition, in the event of a multi-stage contest, the Company will allocate transaction price ratably from contest start to the contest's final stage.

The transaction price for a gaming wagering contract is the difference between gaming wins and losses, not the total amount wagered. The transaction price for food, beverage and other is the net amount collected from the customer for such goods and services. Food, beverage and other services have been determined to be separate, stand-alone performance obligations and revenue is recognized as the good or service is transferred at the point in time of the transaction.

The following contains a description of each of the Company's revenue streams:

Gaming Revenue

The Company recognizes gaming revenue as the net win from gaming activities, which is the difference between gaming inflows and outflows, not the total amount wagered. Progressive jackpots are estimated and recognized as revenue at the time the obligation to pay the jackpot is established. Gaming revenues are recognized net of certain cash and free play incentives.

Gaming services contracts have two performance obligations for those customers earning incentives under the Company's player loyalty programs and a single performance obligation for customers who do not participate in the programs. The Company applies a practical expedient to account for its gaming contracts on a portfolio basis as such wagers have similar characteristics and the Company reasonably expects the impact on the consolidated financial statements of applying the revenue recognition guidance to the portfolio would not differ materially from the application of an individual wagering contract. For purposes of allocating the transaction price in a wagering contract between the wagering performance obligation and the obligation associated with incentives earned under loyalty programs, the Company allocates an amount to the loyalty program contract liability based on the stand-alone selling price of the incentive earned for food and beverage or other amenity. The performance obligation related to loyalty program incentives are deferred and recognized as revenue upon redemption by the customer. The amount associated with gaming wagers is recognized at the point the wager occurs, as it is settled immediately.

Gaming revenue includes casino revenue which is the aggregate net difference between gaming wins and losses, with deferred revenue recognized for prepaid deposits by customers prior to play, for chips outstanding and "ticket-in, ticket-out" coupons in the customers' possession, and for accruals related to the anticipated payout of progressive jackpots. Progressive slot machines, which contain base jackpots that increase at a progressive rate based on the number of credits played, are charged to revenue as the amount of the progressive jackpots increase.

Non-gaming Revenue

Non-gaming revenue consists of food, beverage and other revenue. Food and beverage revenues are recognized at the time the goods are sold from Company-operated outlets. The standalone selling price of food, beverage and other goods and services are determined based upon the actual retail prices charged to customers for those items.

The estimated retail value related to goods and services provided to guests without charge or upon redemption under the Company's player loyalty programs included in departmental revenues, and therefore reducing gaming revenues, are as follows for the year ended December 31, 2023 and period from May 24, 2022 (date of inception) to December 31, 2022:

(in thousands)	Year Ended December 31, 2023	Period from May 24, 2022 (date of inception) to December 31, 2022
Food and beverage	$679	$—

Sales tax and other taxes collected on behalf of governmental authorities are accounted for on a net basis and are not included in revenue or operating expenses.

The following table provides a disaggregation of total revenue (in thousands):

	Year Ended December 31, 2023
Gaming	$28,734
Non-gaming:	
Food and beverage	2,688
Other	755
Total non-gaming revenue	3,443
Total revenue	$32,177

There was no revenue recognized during the period from May 24, 2022 (date of inception) to December 31, 2022.

Contract Assets and Contract Related Liabilities

The Company's receivables related to contracts with customers are primarily comprised of marker balances and other amounts due from gaming activities. The Company's receivables related to contracts with customers was $0.2 million as of December 31, 2023. The Company did not have receivables related to contracts with customers as of December 31, 2022.

The Company has the following liabilities related to contracts with customers: liabilities for loyalty programs, advance deposits made for goods and services yet to be provided and unpaid wagers. All of the contract liabilities are short-term in nature and are included in "Accrued liabilities" in the consolidated balance sheet.

Loyalty program incentives earned by customers are typically redeemed within one year from when they are earned and expire if a customer's account is inactive for more than 12 months; therefore, the majority of these incentives outstanding at the end of a period will either be redeemed or expire within the next 12 months.

Unpaid wagers include the Company's outstanding chip liability and unpaid slot tickets.

Liabilities related to contracts with customers as of December 31, 2023 was as follows (in thousands):

	December 31, 2023
Unpaid wagers	$6,505
Loyalty programs	—
Advanced deposits from customers	1
Total	$6,506

There were no liabilities related to contracts with customers as of December 31, 2022.

The Company recognized $26.0 thousand of revenue related to loyalty program redemptions for the

year ended December 31, 2023. There was no revenue related to loyalty program redemptions recognized during the period from May 24, 2022 (date of inception) to December 31, 2022.

6. PREPAID EXPENSES AND OTHER ASSETS

As of December 31, 2023 and 2022, prepaid expenses and other assets was comprised of the following:

	December 31,	
(in thousands)	**2023**	**2022**
Prepaid taxes and license fees	$3,478	$ —
Prepaid ground lease payments	1,167	—
Services and license agreements	784	126
Prepaid rent	500	348
Prepaid insurance	—	308
Other	306	2
Total prepaid expenses and other current assets	$6,235	$784

7. PROPERTY AND EQUIPMENT

As of December 31, 2023 and 2022, property and equipment, net was comprised of the following:

	December 31,	
(in thousands)	**2023**	**2022**
Land	$200,000	$200,000
Land improvements	147,741	—
Building and improvements	39,703	—
Equipment	22,972	—
Furniture and fixtures	205	—
Construction in process	48,754	17,572
Total property and equipment	459,375	217,572
Less: Accumulated depreciation[(1)]	(5,701)	—
Property and equipment, net	$453,674	$217,572

(1) Depreciation expense on property and equipment for the year ended December 31, 2023 was $5.7 million. There was no depreciation expense related to property and equipment for the period from May 24, 2022 (date of inception) to December 31, 2022.

Construction in process is directly attributable to the development of the Permanent Facility as of December 31, 2023 and both the Temporary and Permanent Facilities as of December 31, 2022. During the year ended December 31, 2023, there was $8.8 million of capitalized interest. There was no capitalized interest during the period from May 24, 2022 (date of inception) to December 31, 2022.

Bally's Chicago Permanent Facility

The Company entered into a Lease Termination and Short Term License Agreement with Chicago Tribune Company, LLC ("Tribune"), effective March 31, 2023, which among other things provides that the Company will have possession of Permanent Chicago Site on or before July 5, 2024, subject to $150 million in payments by Bally's Chicago to Tribune payable in full upon Tribune vacating the site (the "Payment"). $10.0 million of the Payment was paid upon execution of the Lease Termination and Short Term License Agreement and $90.0 million of the Payment was paid during the third quarter of 2023. These payments have been capitalized and included in "Property and equipment, net" within the consolidated balance sheet as of December 31, 2023. The balance Payment amount of $50.0 million is secured by cash-collateralized letters of credit, issued by Citizens Bank. Cash collaterals are reported as restricted cash as of December 31, 2023.

The Company recorded the remaining payments of $47.7 million within “Accrued liabilities” with an offsetting increase to “Property and equipment, net” within the consolidated balance sheet as of December 31, 2023.

8. INTANGIBLE ASSETS

As of December 31, 2023 and 2022, the Company had an intangible asset of $186.3 million and $51.0 million, respectively, representing the Company's costs incurred to obtain a gaming license in Chicago. During 2023, the Company paid $135.3 million of gaming fees to the Illinois Gaming Board upon commencement of operations at its Temporary Facility, and during 2022, the Company paid a total of $51.0 million of fees, in a direct effort to obtain approval from the Illinois Gaming Board for the gaming license.

The Company's gaming license is considered to be indefinite-lived based on future expectations of operating its gaming property indefinitely.

To assess indefinite-lived intangible assets for impairment, each indefinite-lived intangible asset is separately assessed for impairment if events or changes in circumstances occur that could adversely affect its fair value. Indefinite-lived intangibles are assessed for impairment at least annually on October 1. If carrying value exceeds fair value, an impairment charge to earnings is recorded to reduce carrying value to fair value. Based on the Company's assessments, no impairment charges were recognized during the year ended December 31, 2023 and the period from May 24, 2022 (date of inception) to December 31, 2022.

9. ACCRUED LIABILITIES

As of December 31, 2023 and 2022, accrued liabilities consisted of the following:

	December 31,	
(in thousands)	2023	2022
Land development liability	$47,739	$ —
Construction	4,913	150
Property taxes	2,872	53
Compensation	1,417	70
Professional service fees	1,017	125
Legal	31	664
Unearned rental income	—	289
Other	2,023	63
Total accrued liabilities	$60,012	$1,414

10. LEASES

Operating Leases

As of December 31, 2023 and 2022, the Company had total operating lease liabilities of $12.6 million and $15.7 million, respectively, and right of use assets of $12.1 million and $15.4 million, respectively.

Components of lease expense included within "General and administrative" for operating leases during the year ended December 31, 2023 and the period from May 24, 2022 (date of inception) to December 31, 2022 are as follows:

(in thousands)	Year Ended December 31, 2023	Period from May 24, 2022 (date of inception) to December 31, 2022
Operating lease cost	$4,547	$405
Short-term lease expense	889	—
Total operating lease expense	$5,436	$405

Supplemental cash flow and other information related to operating leases for the year ended December 31, 2023 and the period from May 24, 2022 (date of inception) to December 31, 2022, are as follows:

($ in thousands)	Year Ended December 31, 2023	Period from May 24, 2022 (date of inception) to December 31, 2022
Cash paid for amounts included in the lease liability − operating cash flows from operating leases	$4,272	$148
Right of use assets obtained in exchange for operating lease liabilities	$254	$15,757
Weighted average remaining lease term	2.9 years	3.9 years
Weighted average discount rate	6.7%	6.6%

As of December 31, 2023, future minimum lease payments under noncancelable operating leases are as follows:

(in thousands)	
2024	$ 4,411
2025	4,789
2026	4,715
2027	94
Total lease payments	14,009
Less: present value discount	(1,364)
Lease obligations	$12,645

Ground Lease — Financing Obligation

The Company entered into a ground lease, guaranteed by Bally's Corporation, for the land on which the Permanent Facility will be built. The lease commenced November 18, 2022 and has a 99-year term followed by ten separate 20-year renewals at the Company's option.

The Company recorded land within property and equipment, net of $200.0 million with a corresponding long-term financing obligation of $200.0 million on its consolidated balance sheets as of December 31, 2023 and 2022. The Company did not allocate any value to the existing building located on the land as the Company intends to demolish it to construct the Permanent Facility. All lease payments are recorded as interest expense and there is no reduction to the financing obligation over the lease term. The Company made cash payments, and recorded corresponding interest expense, of $17.4 million during the year ended December 31, 2023 and $2.0 million during the period from May 24, 2022 (date of inception) to December 31, 2022.

The lease agreement contemplates that the landlord will provide the Company with up to three advances of $100 million, (each a "Development Advance"), for a total of $300 million towards the development and construction of the Permanent Facility, in exchange for increasing the amount of rent that the Company pays to the landlord, with each individual advance being conditioned on the satisfaction of the following requirements: (1) for the first advance of $100 million, expending funds in excess of $250 million; (2) for the second advance of $100 million, expending funds in excess of $450 million; and (3) for the third advance of $100 million, expending funds in excess of $650 million, in each case for the development of the Permanent Facility in accordance with the requirements of the lease agreement. As of December 31, 2023, all three Development Advances remain available to the Company under their respective conditions.

Lessor

Other income from tenant leases was $0.9 million for the year ended December 31, 2023 and

$0.4 million for the period from May 24, 2022 (date of inception) to December 30, 2022 and is included in "Other non-operating income (expenses), net" in the Company's consolidated statements of operations.

During the first quarter of 2023, the Company entered into a lease termination agreement with its tenants. Refer to Note 7 "Property and Equipment" for further information on its tenant agreement with Tribune.

11. INCOME TAXES

The Company accounts for income taxes in accordance with ASC 740, *Income Taxes*. Income taxes as presented in the Company's consolidated financial statements have been allocated in a manner that is systematic, rational, and consistent with the broad principles of ASC 740. For the year ended December 31, 2023 and for period from May 24, 2022 (date of inception) to December 31, 2022, the Company's operations will be included in Bally's Corporation's U.S. federal consolidated tax return and certain state tax returns. For the purposes of these financial statements, the Company's income tax provision was computed as if the Company filed separate tax returns, and had not been included in the consolidated income tax return group with Bally's Corporation. The separate return method applies ASC 740 to the financial statements of each member of a consolidated tax group as if the group member were a separate taxpayer. As a result, actual tax transactions included in the consolidated financial statements of Bally's Corporation may not be included in these consolidated financial statements. Further, the Company's tax results as presented in the consolidated financial statements may not be reflective of the results that the Company expects to generate in the future. Also, the tax treatment of certain items reflected in the consolidated financial statements may not be reflected in the consolidated financial statements and tax returns of Bally's Corporation. It is conceivable that items such as net operating losses, other deferred taxes, uncertain tax positions and valuation allowances may exist in the consolidated financial statements that may or may not exist in the Bally's Corporation consolidated financial statements.

Since the Company's results are included in the Bally's Corporation tax returns, payments to certain tax authorities are made by Bally's Corporation, and not by the Company. For tax jurisdictions where the Company is included with Bally's Corporation in a consolidated tax filing, the Company does not maintain taxes payable to or from Bally's Corporation and the payments are deemed to be settled immediately with the legal entities paying the tax in the respective tax jurisdictions through changes in Due from Bally's Corporation in the consolidated financial statements.

The Company evaluates the realizability of its deferred tax assets and recognizes a valuation allowance when it is more likely than not that a future benefit on such deferred tax assets will not be realized. Changes in the valuation allowance, when recorded, would be included in the Company's statement of operations. Management's judgment is required in determining the Company's valuation allowance recorded against its net deferred tax assets.

For the year ended December 31, 2023 and for period from May 24, 2022 (date of inception) to December 31, 2022, there was no income tax provision recorded in the consolidated statement of operations as the Company has established a full valuation allowance against the net deferred tax asset position.

The effective rate varies from the statutory US federal tax rate as follows:

(in thousands)	Year Ended December 31, 2023	Period from May 24, 2022 (date of inception) to December 31, 2022
Income tax benefit at statutory federal rate	$(11,837)	$(3,592)
State income taxes, net of federal effect	(5,219)	(1,565)
Nondeductible professional fees	172	—
Other permanent differences including lobbying expense	127	134
Change in valuation allowance	16,757	5,023
Total (benefit) provision for income taxes	$ —	$ —
Effective income tax rate on continuing operations	—%	—%

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred income taxes at December 31, 2023 and 2022 are as

follows:

(in thousands)	December 31, 2023	December 31, 2022
Deferred tax assets:		
Intangible assets	$ 2,475	$ 3,789
Net operating loss carryforwards	29,592	1,391
Valuation allowance	(21,780)	(5,023)
Total deferred tax assets, net	$ 10,287	$ 157
Deferred tax liabilities:		
Accrued liabilities and other	$ (692)	$ (157)
Property and equipment	(9,595)	—
Total deferred tax liabilities	$(10,287)	$ (157)
Net deferred tax liabilities	$ —	$ —

The Company will only recognize a deferred tax asset when, based on available evidence, realization is more likely than not. The Company has assessed its deferred tax liabilities arising from taxable temporary differences and has concluded such liabilities are not a sufficient source of income for the realization of deferred tax assets, including indefinite life taxable temporary differences which offset, subject to limitation, deferred tax assets with unlimited carryovers. Accordingly, a $21.8 million and $5.0 million valuation allowance has been established as of December 31, 2023 and 2022, respectively. The change in valuation allowance for the year ended December 31, 2023 was $16.8 million.

As of December 31, 2023, the Company has $111.3 million of federal net operating carryforwards with an unlimited carryforward period. There was $4.6 million of federal net operating carryforwards with an unlimited carryforward period as of December 31, 2022. As of December 31, 2023 and December 31, 2022, the Company had $65.4 million and $4.6 million of state net operating loss carryforwards, respectively, which expire at various dates through 2043.

Under the ASC 740 guidance for uncertainty in income taxes, tax positions initially need to be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. As of December 31, 2023 and 2022, the Company had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

12. COMMITMENTS AND CONTINGENCIES

Community Host Agreement

As mentioned in Note 1 “General Information”, the Company signed a host community agreement with the City of Chicago to develop a Permanent Facility, Bally’s Chicago, for $1.34 billion. No assurance can be made that this estimate will not materially change during the development of the facility.

In connection with the entry into the host community agreement with the City of Chicago, Bally’s Corporation made a one-time up-front payment to the City of Chicago equal to $40.0 million, and beginning on the date of operations commencement, September 9, 2023, the Company paid and will continue to be required to pay annual fixed host community impact fees of $4.0 million. Additionally, Bally’s Corporation provided the City of Chicago with a performance guaranty whereby Bally’s Corporation agreed to have and maintain available financial resources in an amount reasonably sufficient to allow the Company to complete its obligations under the host community agreement. Upon notice from the City of Chicago that the Company has failed to perform various obligations under the host community agreement, Bally’s Corporation has indemnified the City of Chicago against any and all liability, claim or reasonable and documented expense the City of Chicago may suffer or incur by reason of any nonperformance of any of the Company’s obligations. The guaranty will terminate two years after the later of (i) the date on which the Permanent Facility commences operations or (ii) the date on which Bally’s Chicago achieves final completion as defined in the host community agreement.

Per the host community agreement, the Company is required to spend at least $1.34 billion on the

design, construction and equipping of the Temporary Facility and the Permanent Facility. The actual cost

---

of the development may exceed this minimum capital investment requirement. In addition, land acquisition costs and financing costs, among other types of costs, are not counted toward meeting this requirement.

Letter of Credit

In December 2022, a commercial bank issued an irrevocable standby letter of credit out of Bally's Corporation's Revolving Credit Facility for $17.0 million as a security deposit in connection with the lease agreement for the land on which we plan to develop the permanent casino. This standby letter of credit is available and would be drawn upon should the Company default on any of its obligations under the terms of the lease agreement.

Casino Fees

Under the Illinois Gambling Act, the Company will be responsible to pay various gaming license fees to the Illinois Gaming Board in connection with the Company's casino operations. These fees include: (i) a $250,000 land based gaming fee to operate the casino on land prior to commencing operations, (ii) a $250,000 license fee prior to receiving an owners license and gambling operations commence, (iii) gaming position fees equal to the minimum initial fee of $30,000 per gaming position to be paid within 30 days of issuance of an owners license or Temporary Operating Permit ("TOP"), (iv) a $15 million reconciliation fee upon issuance of a TOP or an owners license, whichever is earlier, and (v) a reconciliation fee payment three years after the date operations commenced (in a temporary or permanent facility) in an amount equal to 75% of the adjusted gross receipt ("AGR") for the most lucrative 12-month period of operations, minus the amount equal to the initial payment per gaming position paid. On September 9, 2023, operating commenced at the Company's Temporary Facility, which triggered $135.3 million in such required gaming license fees to be paid to the Illinois Gaming Board, satisfying the Company's commitment to pay fees (i), (ii), (iii) and (iv).

Corporate Services Agreement

During the year ended December 31, 2023, the Company entered into a Corporate Services Agreement with Bally's Corporation requiring a fixed monthly payment of $5.0 million, beginning in September 2023 with the commencement of operations at the Temporary Facility. The Corporate Services Agreement provides the Company with certain administrative and corporate services from Bally's Management Group, LLC, a wholly owned subsidiary of Bally's Corporation. These fixed payments are in addition to management fees, which include expenses such as personnel and administrative costs allocated to the Company, based on an estimated percentages of time spent on the Company's activities by corporate employees.

13. SEGMENT REPORTING

During the third quarter of 2024, the Company updated its operating and reportable segments to align with how the business is being managed. A change in the way the Company's chief operating decision maker makes operating decisions, assesses the performance of the business and allocates resources was driven by the Company taking possession of the land underlying the permanent casino project during the quarter. As a result of this segment re-alignment, the Company determined it had two operating and reportable segments: Temporary Casino and Permanent Casino. The "Other adjustments" include certain unallocated corporate operating expenses and other adjustments to reconcile to the Company's consolidated results including, among other expenses, compensation for certain executives and other transaction costs. The prior year results presented below were reclassified to conform to the new segment presentation.

For the Temporary Casino operating segment, the Company's measure of segment performance is Adjusted EBITDAR (defined below). Management believes segment Adjusted EBITDAR is representative of its ongoing business operations including its ability to service debt and to fund capital expenditures and its operations, in addition to it being a commonly used measure of performance in the gaming industry and used by industry analysts to evaluate operations and operating performance.

For the Permanent Casino operating segment, the measure of segment performance is operating income (loss).

The following table sets forth the measures of segment performance for the Company's two reportable segments, reconciled to net loss on a consolidated basis. The Other adjustments category is included in the following table in order to reconcile the segment information to the Company's unaudited condensed consolidated financial statements.

(in thousands)	Year Ended December 31, 2023	Period from May 24, 2022 (date of inception) to December 31, 2022
Revenue		
Temporary Casino	$ 32,177	$ —
Permanent Casino	—	—
Total revenue	$ 32,177	$ —
Permanent Casino Loss from Operations	$ (2,227)	$ —
Temporary Casino Adjusted EBITDAR(1)	$ 7,721	$ —
Temporary Casino Operating costs and expenses:		
Depreciation and amortization	(5,705)	—
Expansion costs(2)	(22,865)	(15,057)
Management fees to Bally's Corporation	(20,000)	(424)
Total Temporary Casino operating costs and expenses	(40,849)	(15,481)
Total other expense, net(3)	(10,148)	(1,617)
Other adjustments	(3,141)	—
Total Net loss	$(56,365)	$(17,098)

(1) Adjusted EBITDAR is defined as earnings, or loss, for the Temporary Casino before interest expense, net of interest income, provision (benefit) for income taxes, depreciation and amortization, non-operating (income) expense, expansion costs, management fees to Bally's Corporation, rent expense from triple net operating leases, and certain other gains or losses.

(2) The Company defines expansion expenses as costs incurred in connection with the opening of a new facility or significant expansion of an existing property. Costs classified as expansion consist primarily of marketing, master planning, conceptual design fees and legal and professional fees that are not eligible for capitalization and are included in "General and administrative" on the consolidated statements of operations.

(3) All Total other expense, net for the year ended December 31, 2023 and the period from May 24, 2022 (date of inception) to December 31, 2022 was included within the Permanent Casino reportable segment, and includes primarily interest expense.

(in thousands)	Year Ended December 31, 2023	Period from May 24, 2022 (date of inception) to December 31, 2022
Capital Expenditures		
Temporary Casino	$ 66,637	$4,764
Permanent Casino	124,541	3,747
Total	$191,178	$8,511

(in thousands)	December 31, 2023	2022
Total assets		
Temporary Casino	$141,870	$ 35,868
Permanent Casino	591,019	251,000
Other	4,378	—
Total	$737,267	$286,868

14. SUBSEQUENT EVENTS

In accordance with ASC 855, *Subsequent Events,* the Company has evaluated all events and transactions that occurred after December 31, 2023, through August 6, 2024. Based upon this review, other than as described below, the Company did not identify any subsequent events that would have required adjustment or disclosure in the consolidated financial statements.

On July 9, 2024, the Company paid the remaining $50.0 million due to Tribune and gained possession of the Permanent Chicago Site per the agreement referenced in Note 7 "Property and Equipment".

On July 11, 2024, the Company's parent, Bally's Corporation, entered into a Binding Term Sheet to form a strategic construction and financing arrangement with GLP Capital, L.P. ("GLP"), which includes the funding to complete the construction of Bally's Chicago's permanent casino. GLP has agreed to acquire the real estate underlying the Bally's Chicago project, for which the Company is currently subject to the financing obligation referenced in Note 10 "Leases". GLP will amend the existing land lease through a new master lease agreement with the Company ("Chicago MLA"). The new land lease will include annual rent of $20.0 million, subject to customary escalation provisions. The Chicago MLA will also provide up to $940.0 million in construction financing, subject to conditions and approvals. The Company will pay additional rent under the Chicago MLA based on a 8.5% capitalization rate on funded amounts. The initial lease term for the Chicago MLA is 15 years, with renewal options to be agreed upon by the parties.

BALLY'S CHICAGO, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS (unaudited)

(In thousands, except share data)

	September 30, 2024	December 31, 2023
Assets		
Cash	$ 17,557	$ 14,027
Restricted cash	—	57,278
Accounts receivable, net	1,857	1,874
Inventory	2,086	466
Prepaid expenses and other current assets	5,062	6,235
Due from related party (Bally's Corporation) (Note 3)	974	974
Total current assets	27,536	80,854
Property and equipment, net	156,481	453,674
Right of use assets, net	210,962	12,111
Intangible assets	186,250	186,250
Other assets	5,026	4,378
Total assets	$ 586,255	$737,267
Liabilities and Stockholders' (Deficit) Equity		
Current portion of lease liabilities	$ 4,517	$ 3,678
Accounts payable	8,490	9,869
Accrued liabilities	20,042	60,012
Promissory notes to related party (Bally's Corporation) (Note 3)	—	527,230
Due to related party (Bally's Corporation) (Note 3)	391	—
Total current liabilities	33,440	600,789
Long-term portion of financing obligation	—	200,000
Long-term portion of lease liabilities	207,333	8,967
Long-term promissory notes to related party (Bally's Corporation) (Note 3)	631,040	—
Total liabilities	871,813	809,756
Commitments and contingencies (Note 11)		
Stockholders' (deficit) equity:		
Common stock, $0.01 par value, 100 shares authorized, 100 and 100 shares issued; 100 and 100 shares outstanding	—	—
Additional paid-in capital	974	974
Accumulated deficit	(286,532)	(73,463)
Total stockholders' (deficit) equity	(285,558)	(72,489)
Total liabilities and stockholders' (deficit) equity	$ 586,255	$737,267

See accompanying notes to condensed consolidated financial statements.

BALLY'S CHICAGO, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)

(In thousands, except share and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Revenue:				
Gaming	$ 29,235	$ 6,493	$ 86,851	$ 6,493
Non-gaming	3,236	687	9,786	687
Total revenue	32,471	7,180	96,637	7,180
Operating costs and expenses:				
Gaming	15,078	3,022	44,322	3,022
Non-gaming	2,132	312	5,928	312
General and administrative	15,475	10,912	45,398	25,418
Management fees to Bally's Corporation	15,000	5,167	45,000	5,659
Loss on sale-leaseback	150,000	—	150,000	—
Depreciation and amortization	4,563	1,419	13,633	1,420
Total operating costs and expenses	202,248	20,832	304,281	35,831
Loss from operations	(169,777)	(13,652)	(207,644)	(28,651)
Other income (expense):				
Interest income	71	718	1,466	2,084
Interest expense, net of amounts capitalized	(1,550)	(2,803)	(6,891)	(10,514)
Other non-operating income (expenses), net	—	—	—	893
Total other expense, net	(1,479)	(2,085)	(5,425)	(7,537)
Loss before provision for income taxes	(171,256)	(15,737)	(213,069)	(36,188)
Benefit for income taxes	—	—	—	—
Net loss	$ (171,256)	$ (15,737)	$ (213,069)	$ (36,188)
Basic loss per share	$(1,712,560)	$(157,370)	$(2,130,690)	$(361,880)
Weighted average common shares outstanding, basic	100	100	100	100
Diluted loss per share	$(1,712,560)	$(157,370)	$(2,130,690)	$(361,880)
Weighted average common shares outstanding, diluted	100	100	100	100

See accompanying notes to condensed consolidated financial statements.

BALLY'S CHICAGO, INC.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' (DEFICIT) EQUITY (unaudited)

(In thousands, except share data)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' (Deficit) Equity
	Shares Outstanding	Amount			
Balance as of December 31, 2023	100	$ —	$974	$ (73,463)	$ (72,489)
Net loss	—	—	—	(21,549)	(21,549)
Balance as of March 31, 2024	100	$ —	$974	$ (95,012)	$ (94,038)
Net loss	—	—	—	(20,264)	(20,264)
Balance as of June 30, 2024	100	$ —	$974	$(115,276)	$(114,302)
Net loss	—	—	—	(171,256)	(171,256)
Balance as of September 30, 2024	100	$ —	$974	$(286,532)	$(285,558)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' (Deficit) Equity
	Shares Outstanding	Amount			
Balance as of December 31, 2022	100	$ —	$63,465	$(17,098)	$ 46,367
Net loss	—	—	—	(9,143)	(9,143)
Balance as of March 31, 2023	100	$ —	$63,465	$(26,241)	$ 37,224
Net loss	—	—	—	(11,308)	(11,308)
Balance as of June 30, 2023	100	$ —	$63,465	$(37,549)	$ 25,916
Net loss	—	—	—	(15,737)	(15,737)
Balance as of September 30, 2023	100	$ —	$63,465	$(53,286)	$ 10,179

See accompanying notes to condensed consolidated financial statements.

BALLY'S CHICAGO, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)

(In thousands)

	Nine Months Ended September 30,	
	2024	**2023**
Cash flows from operating activities:		
Net loss	$(213,069)	$ (36,188)
Adjustments to reconcile net loss to net cash used in operating activities		—
Depreciation and amortization	13,633	1,420
Non-cash lease expense	2,855	2,665
Loss on sale-leaseback	150,000	—
Change in operating assets and liabilities:		
Accounts receivable	17	(1,816)
Inventory	(1,620)	(425)
Prepaid expenses and other current assets	1,173	(6,614)
Right of use assets	(778)	—
Accounts payable	(1,455)	(2,406)
Current portion of lease liabilities	(1,723)	(2,471)
Accrued liabilities	3,749	11,673
Net cash used in operating activities	(47,218)	(34,162)
Cash flows from investing activities:		
Capital expenditures	(110,253)	(163,664)
Net cash used in investing activities	(110,253)	(163,664)
Cash flows from financing activities:		
Financing from Bally's Corporation	112,941	269,545
Repayment of promissory notes to Bally's Corporation	(8,739)	—
Issuance costs	(479)	(3,571)
Net cash provided by financing activities	103,723	265,974
Net change in cash and restricted cash	(53,748)	68,148
Cash and restricted cash, beginning of period	71,305	1,092
Cash and restricted cash, end of period	$ 17,557	$ 69,240
Supplemental disclosure of cash flow information:		
Cash paid for interest, net of amounts capitalized	$ 10,101	$ 12,971
Non-cash investing and financing activities:		
Unpaid property and equipment	15,878	6,739
Land development liability	—	46,802
Gaming license payable	—	135,250
Receipt of fixed assets from Bally's Corporation	—	16,760

See accompanying notes to condensed consolidated financial statements.

BALLY'S CHICAGO, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Description of Business

Bally's Chicago, Inc. (the "Company", "Bally's Chicago") was formed on May 24, 2022 and is a wholly owned subsidiary of Bally's Chicago Holding Company, LLC, a wholly owned subsidiary of Bally's Corporation. Bally's Chicago is a gaming, hospitality and entertainment company with the singular focus of building and operating a world-class entertainment destination resort in Chicago, Illinois. The Company intends to provide both Chicago residents and business and leisure travelers visiting Chicago with physical and interactive entertainment and gaming experiences.

On June 9, 2022, a wholly-owned subsidiary of the Company, Bally's Chicago Operating Company, LLC, signed a host community agreement with the City of Chicago to develop a destination casino resort, to be named Bally's Chicago, in downtown Chicago, Illinois that will include approximately 3,400 slot machines, 170 table games, 10 food and beverage venues, 500 hotel rooms, a 65,000 square foot entertainment and event center, a 20,000 square foot exhibition, outdoor music venue, 3,300 parking spaces and an outdoor green space. The project also provided the Company with the exclusive right to operate a temporary casino for up to three years while the permanent casino resort is constructed.

During construction of the permanent facility, the City of Chicago gave the Company the ability to build a temporary casino in downtown Chicago (the "Temporary Facility"). The Company opened the Temporary Facility situated in the location of the current Medinah Temple on September 9, 2023, which includes approximately 900 gaming positions and five food and beverage venues. The Company incurred approximately $70.0 million in costs in connection with the design and development of the temporary casino. The Company currently estimates the permanent casino (the "Permanent Facility") construction to be materially completed by the third quarter of 2026. However, there can be no assurances that the Company will be successful in so doing. Any increased construction costs could materially and adversely affect the return on the Company's investments.

Bally's Corporation

The Company's public company parent, Bally's Corporation (the "Parent"), is a global gaming, hospitality and entertainment company with a portfolio of casinos and resorts and online gaming businesses. Bally's Corporation provides its customers with physical and interactive entertainment and gaming experiences, including traditional casino offerings, iCasino, online bingo games, sportsbook and free-to-play.

In July 2024, Bally's Corporation entered into a definitive merger agreement (as amended in August 2024 and further amended in September 2024), pursuant to which The Casino Queen & Entertainment Inc. ("Casino Queen"), a majority owned by funds managed by Standard General L.P., its largest common stockholder, will merge with Bally's Corporation. Pursuant to the agreement, Bally's stockholders will receive cash merger consideration of $18.25 per share, unless such stockholders elect the rollover election to forego the cash consideration in order to remain invested in the combined company. In connection with the foregoing transactions, Bally's will combine with The Queen Casino & Entertainment Inc., a regional casino operator and owner of a significant minority stake in global lottery operator Intralot S.A.

Going Concern

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business and the ability of the Company to continue as a going concern for a reasonable period of time.

In accordance with Accounting Standards Codification ("ASC") 205-40, Going Concern, ("ASC 205-40") the Company evaluated the severity of the following adverse conditions that raise substantial doubt about its ability to continue as a going concern as of the date the accompanying financial statements were issued (the "issuance date").

- The Company has incurred significant losses and negative cash flows from operations since its inception and expects to continue to incur such losses and negative cash flows for the foreseeable future. In this regard, the Company incurred a net loss and used net cash in its operations of approximately $213.1 million and $47.2 million, respectively, during the nine months ended September 30, 2024. In addition, the Company has an accumulated deficit of $286.5 million and approximately $17.6 million of cash on hand as of September 30, 2024. As a result, the Company has been dependent of Bally's Corporation since its inception to fund substantially all of the Company's obligations as they become due and expects to continue to remain dependent on such funding for the foreseeable future.
- As disclosed in Notes 10 and 11, the Company is subject to a number of contractual obligations and commitments associated with the operation of the Temporary Facility and construction of the Permanent Facility, which includes the total committed costs that are expected to be incurred to construct the Permanent Facility of approximately $1.10 billion over the next three years.
- As of the issuance date, the Company did not have sufficient capital or available liquidity to fund the obligations and commitments that are expected to become due over the next twelve months beyond the issuance date. In particular, while the Temporary Facility commenced operations on September 9, 2023, the Company has not yet generated an ongoing source of net cash inflows from operations that are sufficient to cover the cost of operating the Temporary Facility, as well as construction costs associated with the Permanent Facility that are expected to be incurred over the next twelve months beyond the issuance date.

In response to the foregoing adverse financial conditions, the Company obtained a letter of support whereby Bally's Corporation has committed to fund all of the Company's operating, investing, and financing activities through at least December 31, 2025 and has further committed not to make any decision or action that would reasonably be expected to negatively affect the Company's ability to continue as a going concern through at least December 31, 2025.

The accompanying consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared pursuant to the rules of the Securities and Exchange Commission (the "SEC") for interim financial information, including Rule 10-01 of the SEC's Regulation S-X. Accordingly, certain information and note disclosures normally required in complete financial statements prepared in conformity with accounting principles generally accepted in the United States ("US GAAP") have been condensed or omitted. In the Company's opinion, these condensed consolidated financial statements include all adjustments necessary for a fair presentation of the financial position, results of operations and cash flows for the interim periods presented.

These unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's annual financial statements for the year ended December 31, 2023 included elsewhere in this registration statement.

We have made estimates and judgments affecting the amounts reported in our condensed consolidated financial statements and the accompanying notes. The actual results that we experience may differ materially from our estimates.

Cash and Restricted Cash

The Company considers all cash balances and highly liquid investments with an original maturity of three months or less to be cash and cash equivalents. Restricted cash as of December 31, 2023 included cash collateral in connection with amounts due to the Chicago Tribune (refer to Note 7 "Property and

Equipment”), which was unavailable for the Company’s use. The following table reconciles cash and restricted cash in the condensed consolidated balance sheets to the total shown on the consolidated statements of cash flows.

(in thousands)	September 30, 2024	December 31, 2023
Cash	$17,557	$14,027
Restricted cash	—	57,278
Total cash and restricted cash	$17,557	$71,305

Accounts Receivable

Accounts receivable consists of the following:

(in thousands)	September 30, 2024	December 31, 2023
Gaming receivables	$1,629	$1,570
Non-gaming receivables	243	304
Accounts receivable	1,872	1,874
Less: Allowance for doubtful accounts	(15)	—
Accounts receivable, net	$1,857	$1,874

Advertising Expenses

The Company expenses advertising costs as incurred and is included in “General and administrative” on the condensed consolidated statements of operations. For the three and nine months ended September 30, 2024, advertising expense was $0.7 million and $4.5 million, respectively, and for the three and nine months ended September 30, 2023, advertising expense was $0.6 million and $0.7 million, respectively.

Defined Contribution Plans

The Company participates in the Bally’s Corporation retirement savings plan under Section 401(k) of the Internal Revenue Code covering its employees. The plan allows employees to defer up to the lesser of the Internal Revenue Code prescribed maximum amount or 100% of their income on a pre-tax basis through contributions to the plan. Total employer contribution expense attributable to defined contribution plans was $0.2 million and $0.5 million for the three and nine months ended September 30, 2024, respectively, and $22.0 thousand and $46.0 thousand for the three and nine months ended September 30, 2023, respectively.

Fair Value Measurements

Fair value is determined using the principles of ASC 820, *Fair Value Measurement*. Fair value is described as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy prioritizes and defines the inputs to valuation techniques as follows:

- Level 1: Observable quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2: Inputs are observable for the asset or liability either directly or through corroboration with observable market data.
- Level 3: Unobservable inputs.

The inputs used to measure the fair value of an asset or a liability are categorized within levels of the fair value hierarchy. The fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the measurement.

As of September 30, 2024 and December 31, 2023, the Company had cash and restricted cash of $17.6 million and $71.3 million, respectively, which was measured at fair value on a recurring basis and is classified within Level 1 of the fair value hierarchy.

3. RELATED PARTY TRANSACTIONS

Operations, as well as assets and liabilities, directly associated with the business activity of the Company are included in the consolidated financial statements. The consolidated financial statements include fees paid in accordance with the corporate services agreement, as described in Note 11 "Commitments and Contingencies", providing the Company with certain administrative and corporate services, beginning in September 2023 with the commencement of operations at the Temporary Facility. Additionally, the consolidated financial statements include allocations of certain general, administrative, sales and marketing expenses from its Parent, which management believes is commensurate with services provided at fair value, of $0.5 million and $1.4 million for the for the three and nine months ended September 30, 2024, respectively, and $0.2 million and $0.7 million for the for the three and nine months ended September 30, 2023, respectively. These fees and allocated expenses are recorded within "General and administrative" and "Management fees to Bally's Corporation" on the condensed consolidated statements of operations. As of September 30, 2024, there was a $0.4 million balance of Due to related party (Bally's Corporation) related to administrative expenses.

The Company is dependent on its Parent for a majority of its working capital and financing requirements as Bally's uses a centralized approach to cash management and financing of its operations which are accounted for through a due to/from account. Accordingly, none of Bally's cash, cash equivalents or debt has been assigned to Bally's Chicago in the consolidated financial statements. On December 31, 2023, all expenses paid by Bally's Corporation on the Company's behalf were converted into $527.2 million of promissory notes ("2023 Promissory Notes"), reported within "Promissory notes to related party (Bally's Corporation)" on the consolidated balance sheet.

On September 30, 2024, the Company entered into an additional $112.6 million of promissory notes with Bally's Corporation for expenses paid on the Company's behalf during the nine months ended September 30, 2024. Additionally, on September 30, 2024, the Company amended the 2023 Promissory Notes, extending their respective due dates to December 31, 2025.

As of September 30, 2024 and December 31, 2023 promissory notes to related party (Bally's Corporation) consisted of the following:

($ in thousands)	Loan Balance As of September 30, 2024	Loan Balance As of December 31, 2023	Due Date	Interest Rate
Promissory notes payable by Bally's Chicago Operating Company, LLC:				
Bally's Chicago Holding Company, LLC[1] [2]	$526,397	$419,221	December 31, 2025	—%
Bally's Management Group, LLC[1]	38,935	43,256	December 31, 2025	—%
	$565,332	$462,477		
Promissory notes payable by Bally's Chicago, Inc.:				
Bally's Chicago Holding Company, LLC[1] [2]	$ 65,739	$ 64,784	December 31, 2025	—%
Promissory notes receivable by Bally's Chicago, Inc.:				
Bally's Management Group, LLC[1]	$ 31	$ 31	December 31, 2025	—%
Consolidated promissory notes payable to related party (Bally's Corporation)	$631,040	$527,230		

(1) A wholly owned subsidiary of Bally's Corporation.

(2) Includes capital returned of $62.5 million during the year ended December 31, 2023.

As of September 30, 2024 and December 31, 2023, the aggregate amount of promissory notes to related party (Bally's Corporation) consisted of cash advances and payments of certain operating expenses made on behalf of the Company. The average aggregate balance of promissory notes to related party (Bally's Corporation) was $556.0 million and $536.8 million during the three and nine months ended September 30, 2024, respectively.

4. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

Standards to Be Implemented

In October 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-06, *Disclosure Improvements — Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative*. The amendments in this update align the requirements in the ASC to the Securities and Exchange Commission's ("SEC") regulations. The effective date for each amended topic in the ASC is the date on which the SEC's removal of the related disclosure requirement from Regulation S-X or Regulation S-K becomes effective. If by June 30, 2027, the SEC has not removed the related disclosure from its regulations, the amendments will be removed from the Codification and not become effective. Early adoption is prohibited. The Company is currently in the process of evaluating the impact of this amendment on its consolidated financial statements and related disclosures.

In November 2023, the FASB issued ASU No. 2023-07, *Segment Reporting (Topic 280) — Improvements to Reportable Segment Disclosures*. The amendments in this update enhance the disclosures required for significant segment expenses on an annual and interim basis. The guidance will apply retrospectively and is effective for annual reporting periods in fiscal years beginning after December 15, 2023, and interim reporting periods in fiscal years beginning after December 31, 2024. The Company is currently in the process of evaluating the impact of this amendment on its consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740) — Improvements to Income Tax Disclosures*. The amendments in this update enhance the transparency and decision usefulness of income tax disclosures. This update will be effective for annual periods beginning after December 15, 2024, with early adoption permitted. The Company is currently in the process of evaluating the impact of this amendment on its consolidated financial statements and related disclosures.

In March 2024, the FASB issued ASU 2024-02, *Codification Improvements — Amendments to Remove References to the Concepts Statements*. This amendment to the Codification removes references to various Concepts Statements. This update will be effective for public business entities for fiscal years beginning after December 15, 2024, with early adoption permitted if adopted as of the beginning of the fiscal year that includes that interim period. The Company is currently in the process of evaluating the impact of this amendment on its consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03, *Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. The amendments in this update require disclosure of certain costs and expenses on an interim and annual basis in the notes to the financial statements. This update will be effective for fiscal years beginning after December 15, 2026, and interim reporting periods in fiscal years beginning after December 15, 2027, with early adoption permitted. The disclosures required under the guidance can be applied either prospectively to financial statements issued for reporting periods after the effective date or retrospectively to any or all periods presented in the financial statements. The Company is currently evaluating the impact that this guidance will have on its financial statement disclosures.

5. REVENUE RECOGNITION

The Company recognizes revenue in accordance with ASC 606, *Revenue from Contracts with Customers*, which requires companies to recognize revenue in a way that depicts the transfer of promised goods or services. In addition, the standard requires more detailed disclosures to enable readers of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The Company generates revenue from three principal sources:

(1) gaming, (2) food and beverage and (3) and other.

The Company determines revenue recognition through the following steps:

- Identify the contract, or contracts, with the customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to performance obligations in the contract; and
- Recognize revenue when or as the Company satisfies performance obligations by transferring the promised goods or services

The amount of revenue recognized by the Company is measured at the transaction price or the amount of consideration that the Company expects to receive through satisfaction of the identified performance obligations.

Gaming contains two performance obligations. Gaming transactions have an obligation to honor the outcome of a wager and to pay out an amount equal to the stated odds, including the return of the initial wager, if the customer receives a winning hand. These elements of honoring the outcome of the hand of play and generating a payout are considered one performance obligation. Revenue is recognized at the conclusion of each contest, wager or wagering game hand. The Company allocates a portion of the transaction price to certain customer incentives that create material future customer rights and are a separate performance obligation. In addition, in the event of a multi-stage contest, the Company will allocate transaction price ratably from contest start to the contest's final stage.

The transaction price for a gaming wagering contract is the difference between gaming wins and losses, not the total amount wagered. The transaction price for food, beverage and other is the net amount collected from the customer for such goods and services. Food, beverage and other services have been determined to be separate, stand-alone performance obligations and revenue is recognized as the good or service is transferred at the point in time of the transaction.

The following contains a description of each of the Company's revenue streams:

Gaming Revenue

The Company recognizes gaming revenue as the net win from gaming activities, which is the difference between gaming inflows and outflows, not the total amount wagered. Progressive jackpots are estimated and recognized as revenue at the time the obligation to pay the jackpot is established. Gaming revenues are recognized net of certain cash and free play incentives.

Gaming services contracts have two performance obligations for those customers earning incentives under the Company's player loyalty programs and a single performance obligation for customers who do not participate in the programs. The Company applies a practical expedient to account for its gaming contracts on a portfolio basis as such wagers have similar characteristics and the Company reasonably expects the impact on the consolidated financial statements of applying the revenue recognition guidance to the portfolio would not differ materially from the application of an individual wagering contract. For purposes of allocating the transaction price in a wagering contract between the wagering performance obligation and the obligation associated with incentives earned under loyalty programs, the Company allocates an amount to the loyalty program contract liability based on the stand-alone selling price of the incentive earned for food and beverage or other amenity. The performance obligation related to loyalty program incentives are deferred and recognized as revenue upon redemption by the customer. The amount associated with gaming wagers is recognized at the point the wager occurs, as it is settled immediately.

Gaming revenue includes casino revenue which is the aggregate net difference between gaming wins and losses, with deferred revenue recognized for prepaid deposits by customers prior to play, for chips outstanding and "ticket-in, ticket-out" coupons in the customers' possession, and for accruals related to the anticipated payout of progressive jackpots. Progressive slot machines, which contain base jackpots that increase at a progressive rate based on the number of credits played, are charged to revenue as the amount

of the progressive jackpots increase.

Non-gaming Revenue

Non-gaming revenue consists of food, beverage and other revenue. Food and beverage revenues are recognized at the time the goods are sold from Company-operated outlets. The standalone selling price of food, beverage and other goods and services are determined based upon the actual retail prices charged to customers for those items.

The estimated retail value related to goods and services provided to guests without charge or upon redemption under the Company's player loyalty programs included in departmental revenues, and therefore reducing gaming revenues, are as follows for the three and nine months ended September 30, 2024 and 2023:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2024**	**2023**	**2024**	**2023**
Food and beverage	$1,297	$45	3,747	$45

Sales tax and other taxes collected on behalf of governmental authorities are accounted for on a net basis and are not included in revenue or operating expenses.

The following table provides a disaggregation of total revenue (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	**2023**	**2024**	**2023**
Gaming	$29,235	$6,493	$86,851	$6,493
Non-gaming:				
Food and beverage	2,498	530	7,612	530
Other	738	157	2,174	157
Total non-gaming revenue	3,236	687	9,786	687
Total revenue	$32,471	$7,180	$96,637	$7,180

Contract Assets and Contract Related Liabilities

The Company's receivables related to contracts with customers are primarily comprised of marker balances and other amounts due from gaming activities. The Company's receivables related to contracts with customers was $0.1 million and $0.2 million as of September 30, 2024 and December 31, 2023, respectively.

The Company has the following liabilities related to contracts with customers: liabilities for loyalty programs, advance deposits made for goods and services yet to be provided and unpaid wagers. All of the contract liabilities are short-term in nature and are included in "Accrued liabilities" in the consolidated balance sheet.

Loyalty program incentives earned by customers are typically redeemed within one year from when they are earned and expire if a customer's account is inactive for more than 12 months; therefore, the majority of these incentives outstanding at the end of a period will either be redeemed or expire within the next 12 months.

Unpaid wagers include the Company's outstanding chip liability and unpaid slot tickets.

Liabilities related to contracts with customers as of September 30, 2024 and December 31, 2023 were as follows (in thousands):

	September 30, 2024	December 31, 2023
Unpaid wagers	$1,430	$6,505
Loyalty programs	122	—
Advanced deposits from customers	1	1
Total	$1,553	$6,506

The Company recognized $53.0 thousand and $148.0 thousand of revenue related to loyalty program redemptions during the three and nine months ended September 30, 2024. There were immaterial loyalty program redemptions during the three and nine months ended September 30, 2023.

6. PREPAID EXPENSES AND OTHER CURRENT ASSETS

As of September 30, 2024 and December 31, 2023, prepaid expenses and other current assets was comprised of the following:

(in thousands)	September 30, 2024	December 31, 2023
Prepaid taxes and license fees	$4,214	$3,478
Services and license agreements	550	784
Prepaid ground lease payments	—	1,167
Prepaid rent	—	500
Other	298	306
Total prepaid expenses and other assets	$5,062	$6,235

7. PROPERTY AND EQUIPMENT

As of September 30, 2024 and December 31, 2023, property and equipment was comprised of the following:

(in thousands)	September 30, 2024	December 31, 2023
Land and improvements	$ —	$347,741
Building and improvements	42,059	39,703
Equipment	27,983	22,972
Furniture and fixtures	393	205
Construction in process	105,380	48,754
Total property and equipment	175,815	459,375
Less: Accumulated deprecation	(19,334)	(5,701)
Total property and equipment, net	$156,481	$453,674

Depreciation expense related to property and equipment was $4.6 million and $13.6 million for the three and nine months ended September 30, 2024, respectively, and $1.4 million for the three and nine months ended September 30, 2023.

Construction in process is directly attributable to the development of the Permanent Facility as of September 30, 2024 and December 31, 2023. During the three and nine months ended September 30, 2024,

there was $1.5 million and $5.5 million of capitalized interest, respectively, and $3.2 million and $7.2 million during the three and nine months ended September 30, 2023, respectively.

Bally's Chicago Permanent Facility

The Company entered into a Lease Termination and Short Term License Agreement with Chicago Tribune Company, LLC ("Tribune"), effective March 31, 2023, which among other things provided that the Company will have possession of Permanent Chicago Site on or before July 5, 2024, subject to $150 million in payments by Bally's Chicago to Tribune payable in full upon Tribune vacating the site (the "Payment"). $10.0 million of the Payment was paid upon execution of the Lease Termination and Short Term License Agreement, $90.0 million of the Payment was paid during the third quarter of 2023, and the Company paid the remaining $50.0 million during the third quarter of 2024 and gained possession of the property per the agreement with Tribune. Payments were capitalized and included in "Property and equipment, net" within the consolidated balance sheet as of December 31, 2023.

In the third quarter of 2024, as the result of a lease modification event, the Company derecognized $350.0 million of land relating to the site of the future Bally's Chicago permanent facility. Refer to Note 10 "Leases" for further information.

8. INTANGIBLE ASSETS

As of September 30, 2024 and December 31, 2023, the Company had an intangible asset of $186.3 million, representing the Company's costs incurred to obtain a gaming license in Chicago. The Company's gaming license is considered to be indefinite-lived based on future expectations of operating its gaming property indefinitely.

To assess indefinite-lived intangible assets for impairment, each indefinite-lived intangible asset is separately assessed for impairment if events or changes in circumstances occur that could adversely affect its fair value. Indefinite-lived intangibles are assessed for impairment at least annually on October 1. If carrying value exceeds fair value, an impairment charge to earnings is recorded to reduce carrying value to fair value. Based on the Company's assessments, no impairment charges were recognized during the three and nine months ended September 30, 2024 and 2023.

9. ACCRUED LIABILITIES

As of September 30, 2024 and December 31, 2023, accrued liabilities consisted of the following:

	September 30, 2024	December 31, 2023
Construction	$ 8,695	$ 4,913
Gaming liabilities	4,384	923
Compensation	2,775	1,417
Property taxes	1,677	2,872
Legal	965	31
Professional service fees	548	1,017
Land development liability	—	47,739
Other	998	1,100
Total accrued liabilities	$20,042	$60,012

10. LEASES

Operating Leases

As of September 30, 2024 and December 31, 2023, the Company had total operating lease liabilities of $211.9 million and $12.6 million, respectively, and right of use assets of $211.0 million and $12.1 million, respectively.

Components of lease expense included within "General and administrative" for operating leases during the three and nine months ended September 30, 2024 and 2023 are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2024**	**2023**	**2024**	**2023**
Operating lease cost	$2,200	$1,144	$4,488	$3,403
Variable lease cost	1	—	24	—
Operating lease expense	2,201	1,144	4,512	3,403
Short-term lease expense	884	6	2,571	89
Total operating lease expense	$3,085	$1,150	$7,083	$3,492

Supplemental cash flow and other information related to operating leases for the three and nine months ended September 30, 2024 and 2023 are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2024**	**2023**	**2024**	**2023**
Cash paid for amounts included in the lease liability – operating cash flows from operating leases	$ 1,095	$1,045	$ 3,356	$3,210
Right of use assets obtained in exchange for operating lease liabilities	$ 201,706	$ 254	$ 201,706	$ 254
Derecognition of financing obligation	$(200,000)	$ —	$(200,000)	$ —

	September 30, 2024	December 31, 2023
Weighted average remaining lease term	92.7 years	2.9 years
Weighted average discount rate	9.8%	6.7%

As of September 30, 2024, future minimum lease payments under noncancelable operating leases are as follows:

(in thousands)	
Remaining 2024	$ 6,389
2025	24,789
2026	24,714
2027	20,094
2028	20,000
Thereafter	1,857,667
Total lease payments	1,953,653
Less: present value discount	(1,741,803)
Lease obligations	$ 211,850

Financing Obligation

The Company entered into a ground lease, guaranteed by Bally's Corporation, for the land on which the Permanent Facility will be built. The lease commenced November 18, 2022 and has a 99-year term followed by ten separate 20-year renewals at the Company's option.

The Company recorded land within property and equipment, net of $200.0 million with a corresponding long-term financing obligation of $200.0 million on its condensed consolidated balance sheets as of

December 31, 2023. The Company did not allocate any value to the existing building located on the land as the Company intends to demolish it to construct the Permanent Facility. All lease payments were recorded as interest expense and there was no reduction to the financing obligation over the lease term. The Company made cash payments, and recorded corresponding interest expense, of $2.7 million and $9.7 million during the three and nine months ended September 30, 2024, respectively, and $4.3 million and $12.8 million during the three and nine months ended September 30, 2023, respectively.

In the third quarter of 2024, GLP Capital, L.P. ("GLP") acquired the real estate underlying the Permanent Facility, for which the Company was subject to the financing obligation, and assumed the existing lease. The lease with GLP was amended in the third quarter, creating a lease modification event whereby the land components previously classified as a financing obligation were reassessed and now classified as an operating lease. This change was due to the transfer of control of the land asset from the Company to the lessor, which permitted sale recognition in accordance with ASC 842. As a result of this reassessment, the Company, within it's Permanent Casino reportable segment, derecognized $350.0 million from "Property and equipment, net" related to the land asset and $200.0 million from the "Long-term portion of financing obligation" within our condensed consolidated balance sheets. As a result of the lease modification, a $150.0 million offset in "Loss on sale-leaseback" was recorded within the condensed consolidated statements of operations for the three and nine months ending September 30, 2024.

Pending Lease Transactions

On July 11, 2024, the Company entered into a Binding Term Sheet to form a strategic construction and financing arrangement with GLP which includes the funding to complete the construction of the Permanent Facility. GLP will amend the existing land lease through a new master lease agreement with the Company ("Chicago MLA"). The Chicago MLA includes annual rent of $20.0 million, subject to customary escalation provisions. The Chicago MLA also provides up to $940.0 million in construction financing, subject to conditions and approvals. The Company will pay additional rent under the Chicago MLA based on a 8.5% capitalization rate on funded amounts. The initial lease term for the Chicago MLA is 15 years with renewal options to be agreed upon by the parties.

Lessor

During the first quarter of 2023, the Company entered into a lease termination agreement with its tenants. Refer to Note 7 "Property and Equipment" for further information on it's tenant agreement with Tribune. Other income from tenant leases was $0.9 million for the nine months ended September 30, 2023 and is included in "Other non-operating income (expenses), net" in the Company's condensed consolidated statements of operations. There was no other income from tenant leases during the three and nine months ended September 30, 2024,

11. COMMITMENTS AND CONTINGENCIES

Community Host Agreement

As mentioned in Note 1 "General Information", the Company signed a host community agreement with the City of Chicago to develop a Permanent Facility, Bally's Chicago, for $1.34 billion. No assurance can be made that this estimate will not materially change during the development of the facility. As of September 30, 2024, approximately $1.10 billion of this commitment remains.

In connection with the entry into the host community agreement with the City of Chicago, Bally's Corporation made a one-time up-front payment to the City of Chicago equal to $40.0 million, and beginning on the date of operations commencement, September 9, 2023, the Company paid and will continue to be required to pay annual fixed host community impact fees of $4.0 million. Additionally, Bally's Corporation provided the City of Chicago with a performance guaranty whereby Bally's Corporation agreed to have and maintain available financial resources in an amount reasonably sufficient to allow the Company to complete its obligations under the host community agreement. Upon notice from the City of Chicago that the Company has failed to perform various obligations under the host community agreement, Bally's Corporation has indemnified the City of Chicago against any and all liability, claim or reasonable and documented expense the City of Chicago may suffer or incur by reason of any nonperformance of any of

the Company's obligations. The guaranty will terminate two years after the later of (i) the date on which the Permanent Facility commences operations or (ii) the date on which Bally's Chicago achieves final completion as defined in the host community agreement.

Per the host community agreement, the Company is required to spend at least $1.34 billion on the design, construction and equipping of the Temporary Facility and the Permanent Facility. The actual cost of the development may exceed this minimum capital investment requirement. In addition, land acquisition costs and financing costs, among other types of costs, are not counted toward meeting this requirement.

Casino Fees

Under the Illinois Gambling Act, the Company will be responsible to pay various gaming license fees to the Illinois Gaming Board in connection with the Company's casino operations. These fees include: (i) a $250,000 land based gaming fee to operate the casino on land prior to commencing operations, (ii) a $250,000 license fee prior to receiving an owners license and gambling operations commence, (iii) gaming position fees equal to the minimum initial fee of $30,000 per gaming position to be paid within 30 days of issuance of an owners license or Temporary Operating Permit ("TOP"), (iv) a $15 million reconciliation fee upon issuance of a TOP or an owners license, whichever is earlier, and (v) a reconciliation fee payment three years after the date operations commenced (in a temporary or permanent facility) in an amount equal to 75% of the adjusted gross receipt ("AGR") for the most lucrative 12-month period of operations, minus the amount equal to the initial payment per gaming position paid. On September 9, 2023, operating commenced at the Company's Temporary Facility, which triggered $135.3 million in such required gaming license fees to be paid to the Illinois Gaming Board, satisfying the Company's commitment to pay fees (i), (ii), (iii) and (iv).

Corporate Services Agreement

During the year ended December 31, 2023, the Company entered into a Corporate Services Agreement with Bally's Corporation requiring a fixed monthly payment of $5.0 million, beginning in September 2023 with the commencement of operations at the Temporary Facility. The Corporate Services Agreement provides the Company with certain administrative and corporate services from Bally's Management Group, LLC, a wholly owned subsidiary of Bally's Corporation. These fixed payments are in addition to management fees, which include expenses such as personnel and administrative costs allocated to the Company, based on an estimated percentages of time spent on the Company's activities by corporate employees. In accordance with the corporate services agreement, the Company recorded $15.0 million and $45.0 million during the three and nine months ended September 30, 2024, respectively, and $5.0 million during the three and nine months ended September 30, 2023, within Management fees from Bally's Corporation in the condensed consolidated statements of operations.

12. SEGMENT REPORTING

During the third quarter of 2024, the Company updated its operating and reportable segments to align with how the business is being managed. A change in the way the Company's chief operating decision maker makes operating decisions, assesses the performance of the business and allocates resources was driven by the Company taking possession of the land underlying the permanent casino project during the quarter. As a result of this segment re-alignment, the Company determined it had two operating and reportable segments: Temporary Casino and Permanent Casino. The "Other adjustments" include certain unallocated corporate operating expenses and other adjustments to reconcile to the Company's consolidated results including, among other expenses, compensation for certain executives and other transaction costs. The prior year results presented below were reclassified to conform to the new segment presentation.

For the Temporary Casino operating segment, the Company's measure of segment performance is Adjusted EBITDAR (defined below). Management believes segment Adjusted EBITDAR is representative of its ongoing business operations including its ability to service debt and to fund capital expenditures and its operations, in addition to it being a commonly used measure of performance in the gaming industry and used by industry analysts to evaluate operations and operating performance.

For the Permanent Casino operating segment, the measure of segment performance is operating income (loss).

The following table sets forth the measures of segment performance for the Company's two reportable segments, reconciled to net loss on a consolidated basis. The Other adjustments category is included in the following table in order to reconcile the segment information to the Company's unaudited condensed consolidated financial statements.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2024**	**2023**	**2024**	**2023**
Revenue				
Temporary Casino	$ 32,471	$ 7,180	$ 96,637	$ 7,180
Permanent Casino	—	—	—	—
Total revenue	$ 32,471	$ 7,180	$ 96,637	$ 7,180
Permanent Casino Loss from Operations	$(153,388)	$ (788)	$(156,591)	$ (788)
Temporary Casino Adjusted EBITDAR(1)	$ 3,191	$ 3,540	$ 8,877	$ 3,540
Temporary Casino Operating costs and expenses:				
Depreciation and amortization	(4,563)	(1,419)	(13,633)	(1,420)
Expansion costs(2)	—	(7,030)	(112)	(22,259)
Management fees to Bally's Corporation	(15,000)	(5,000)	(45,000)	(5,000)
Total Temporary Casino operating costs and expenses	(16,372)	(9,909)	(49,868)	(25,139)
Total other expense, net(3)	(1,479)	(2,085)	(5,425)	(7,537)
Other adjustments	(17)	(2,955)	(1,185)	(2,724)
Total Net loss	$(171,256)	$(15,737)	$(213,069)	$(36,188)

(1) Adjusted EBITDAR is defined as earnings, or loss, for the Temporary Casino before interest expense, net of interest income, provision (benefit) for income taxes, depreciation and amortization, non-operating (income) expense, expansion costs, management fees to Bally's Corporation, rent expense from triple net operating leases, and certain other gains or losses.

(2) The Company defines expansion expenses as costs incurred in connection with the opening of a new facility or significant expansion of an existing property. Costs classified as expansion consist primarily of marketing, master planning, conceptual design fees and legal and professional fees that are not eligible for capitalization and are included in "General and administrative" on the unaudited condensed consolidated statements of operations.

(3) All Total other expense, net for the three and nine months ended September 30, 2024 and 2023 was included within the Permanent Casino reportable segment, and includes primarily interest expense.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2024**	**2023**	**2024**	**2023**
Capital Expenditures				
Temporary Casino	250	14,500	389	43,167
Permanent Casino	71,362	93,233	109,864	120,497
Total	71,612	107,733	110,253	163,664

13. SUBSEQUENT EVENTS

In accordance with ASC 855, *Subsequent Events*, the Company has evaluated all events and transactions that occurred after September 30, 2024, through the date of issuance. Based upon this review,

other than as described below, the Company did not identify any subsequent events that would have required adjustment or disclosure in the condensed consolidated financial statements.

Bally's

$195,125,000

Bally's Chicago, Inc.

500 Class A-1 Interests at $250 per share
1,000 Class A-1 Interests at $2,500 per share
1,000 Class A-3 Interests at $5,000 per share
7,500 Class A-4 Interests at $25,000 per share

PROSPECTUS

, 2025

Placement Agent

Loop Capital Markets

Co-Placement Agents

Innovation Capital

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

The following table indicates the expenses to be incurred in connection with this offering. All amounts are estimated except the Securities and Exchange Commission registration fee.

	Amount
Securities and Exchange Commission registration fee	$ 29,874
FINRA filing fee	8,000
Accountants' fees and expenses	1,580,000
Legal fees and expenses	4,710,756
Blue Sky fees and expenses	23,268
Print and engraving expenses	245,000
Miscellaneous expenses	1,750,000
Total	$8,346,898

Item 14. Indemnification of Directors and Officers

Section 102 of the General Corporation Law of the State of Delaware permits a corporation to eliminate the personal liability of directors and officers of a corporation to the corporation or its stockholders for monetary damages for a breach of fiduciary duty as a director or officer, except where the director or officer breached his duty of loyalty, failed to act in good faith, engaged in intentional misconduct or knowingly violated a law, obtained an improper personal benefit, or with respect to a director, authorized the payment of a dividend or approved a stock repurchase in violation of Delaware corporate law, or with respect to an officer, for actions by or in the right of the Company. Our amended and restated certificate of incorporation to be in effect prior to the closing of this offering will provide that no director or officer of Bally's Chicago, Inc. shall be personally liable to it or its stockholders for monetary damages for any breach of fiduciary duty as a director or officer, notwithstanding any provision of law imposing such liability, except to the extent that the General Corporation Law of the State of Delaware prohibits the elimination or limitation of liability of directors or officers for breaches of fiduciary duty.

Section 145(a) of the General Corporation Law of the State of Delaware provides that a corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the person's conduct was unlawful. Section 145(b) of the General Corporation Law of the State of Delaware provides that a corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court

of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Upon closing of this offering, our amended and restated bylaws to be in effect prior to the closing of this offering will provide indemnification for our directors and officers to the fullest extent permitted by the General Corporation Law of the State of Delaware, provided that except in certain specified circumstances, we will not be required to indemnify a person in connection with an action, suit or proceeding (or part thereof) initiated by such person. We will also advance expenses to those covered by our indemnification protections in our bylaws under certain circumstances.

Prior to the closing of this offering, we intend to enter into separate indemnification agreements with each of our directors and executive officers. Each indemnification agreement will provide, among other things, for indemnification to the fullest extent permitted by law and our amended and restated certificate of incorporation to be in effect prior to the closing of this offering and amended and restated bylaws to be in effect prior to the closing of this offering against any and all expenses, judgments, fines, penalties and amounts paid in settlement of any claim. The indemnification agreements will provide for the advancement or payment of all expenses to the indemnitee and for the reimbursement to us if it is found that such indemnitee is not entitled to such indemnification under applicable law and our amended and restated certificate of incorporation to be in effect prior to the closing of this offering and amended and restated bylaws to be in effect prior to the closing of this offering.

We maintain a general liability insurance policy that covers certain liabilities of directors and officers of our corporation arising out of claims based on acts or omissions in their capacities as directors or officers.

In any placement agency agreement we enter into in connection with the sale of Class A Interests being registered hereby, the placement agents will agree to indemnify, under certain conditions, us, our directors, our officers and persons who control us within the meaning of the Securities Act of 1933, as amended, or the Securities Act, against certain liabilities.

Item 15. Recent Sales of Unregistered Securities

Since our incorporation in May 2022, we have sold and issued the following securities that were not registered under the Securities Act:

Issuance of Common Stock

In May 2022, we issued and sold 100 shares of common stock to Bally's Chicago HoldCo at a purchase price of $0.01 per share, for an aggregate price of $1.0. The 100 shares of common stock will be reclassified into Class B Interests upon the closing of this offering.

The issuances of the securities in the transactions described above were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act and/or Rule 506, Rule 701 or Regulation S promulgated thereunder. The securities were issued directly by us and did not involve a public offering or general solicitation. The recipients of such securities represented their intentions to acquire the securities for investment purposes only and not with a view to, or for sale in connection with, any distribution thereof.

None of the transactions set forth in Item 15 involved any underwriters, underwriting discounts or commissions or any public offering. All recipients had adequate access, through their relationships with us, to information about us. The sales of these securities were made without any general solicitation or advertising.

Item 16. Exhibits

The exhibits to the registration statement are listed in the Exhibit Index to this registration statement and are incorporated by reference herein.

Item 17. Undertakings

The undersigned registrant hereby undertakes to provide to the placement agents, at the closing specified in the placement agent agreement, certificates in such denominations and registered in such names as required by the placement agents to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned hereby undertakes that:

(a) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(b) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and this offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

EXHIBIT INDEX

Exhibit No.	Description
1.1**	Form of Placement Agent Agreement
1.2***	Form of Subscription Agreement
3.1***	Certificate of Incorporation of Bally's Chicago, Inc., as currently in effect
3.2**	Form of Amended and Restated Certificate of Incorporation of Bally's Chicago, Inc., to be in effect prior to the closing of this offering
3.3***	Bylaws of Bally's Chicago, Inc., as currently in effect
3.4**	Form of Amended and Restated Bylaws of Bally's Chicago, Inc., to be in effect prior to the closing of this offering
5.1***	Opinion of Latham & Watkins LLP
10.1**	Form of Subordinated Loan Agreement, by and between Bally's Chicago, Inc., as borrower, and Bally's Chicago Holding Company, LLC, as lender
10.2***	Corporate Services Agreement for Temporary Casino, dated as of August 30, 2023, by and between Bally's Management Group, LLC (f/k/a Twin River Management Group, Inc.) and Bally's Chicago Operating Company, LLC
10.3***	Services Agreement, dated as of January 27, 2023, by and between Bally's Management Group, LLC (f/k/a Twin River Management Group, Inc.) and UTGR, Inc., Mile High USA, LLC, Premier Entertainment Biloxi LLC, Twin River — Tiverton, LLC, Dover Downs, Inc., Premier Entertainment Black Hawk, LLC, IOC Kansas City, Inc, Premier Entertainment Vicksburg, LLC, Premier Entertainment Shreveport, LLC, Premier Entertainment Ac, LLC, Premier Entertainment Tahoe, LLC, Aztar Indiana Gaming Company, LLC, The Rock Island Boatworks, LLC, Tropicana Las Vegas, Inc., and Bally's Chicago Operating Company, LLC
10.4†***	Bally's Corporation 2021 Equity Incentive Plan
10.5†***	Form of Award Agreements under Bally's Corporation 2021 Equity Incentive Plan
10.6***	Promissory Note, dated as of December 31, 2023, issued by Bally's Chicago Operating Company, LLC in favor of Bally's Chicago Holding Company LLC, as amended on September 30, 2024
10.7***	Promissory Note, dated as of December 31, 2023, issued by Bally's Chicago Operating Company, LLC in favor of Bally's Management Group, LLC as amended on September 30, 2024
10.8***	Promissory Note, dated as of December 31, 2023, issued by Bally's Chicago Inc. in favor of Bally's Chicago Holding Company, LLC, as amended on September 30, 2024
10.9***	Promissory Note, dated as of December 31, 2023, issued by Bally's Management Group, LLC in favor of Bally's Chicago Inc., as amended on September 30, 2024
10.10***	Promissory Note, dated as of December 31, 2023, issued by Bally's Chicago Inc. in favor of Bally's Chicago Operating Company, LLC, as amended on September 30, 2024
10.11***	Promissory Note, dated as of December 31, 2023, issued by Bally's Chicago Operating Company, LLC in favor of Bally's Chicago Inc., as amended on September 30, 2024
10.12***	Promissory Note, dated as of September 30, 2024, issued by Bally's Chicago, Inc. in favor of Bally's Chicago Holding Company, LLC
10.13***	Promissory Note, dated as of September 30, 2024, issued by Bally's Chicago Operating Company, LLC in favor of Bally's Chicago Holding Company LLC
10.14***	Promissory Note, dated as of September 30, 2024, issued by Bally's Chicago Operating Company, LLC in favor of Bally's Management Group, LLC
10.15**	Form of Promissory Note to be issued by Bally's Chicago, Inc. in favor of Bally's Chicago Operating Company, LLC
10.16^***	Sublease Agreement, dated as of November 28, 2022, by and among Medinah Holdings, LLC, Medinah Building LLC, and Bally's Chicago Operating Company, LLC
10.17^***	Ground Lease, dated as of November 18, 2022, by and between BACHIL001 LLC and Bally's Chicago Operating Company, LLC

Exhibit No.	Description
10.18^***	First Amendment to Ground Lease, dated as of September 11, 2024, by and between GLP Capital, L.P. and Bally's Chicago Operating Company, LLC
10.19#^***	Lease Modification and Short Term License Agreement, dated March 31, 2023, by and between Chicago Tribune Company, LLC and Bally's Chicago Operating Company, LLC
10.20**	Lease Agreement, dated , by and between GLP Capital, L.P. and Bally's Chicago Operating Company, LLC
10.21**	Development Agreement, dated , by and between GLP Capital, L.P. and Bally's Chicago Operating Company, LLC
10.22***	Host Community Agreement, dated June 9, 2022, by and between the City of Chicago, Illinois and Bally's Chicago Operating Company, LLC
10.23†***	Employment Agreement, dated as of October 1, 2023, by and between Bally's Management Group, LLC and Ameet Patel
10.24†***	Employment Agreement, dated as of May 8, 2023, by and between Bally's Management Group, LLC and H.C. Charles Diao
10.25†***	Employment Agreement, dated as of February 1, 2024, by and between Bally's Management Group, LLC and Christopher Jewett
10.26†***	Employment Agreement, dated as of October 19, 2022, by and between Twin River Management Group, Inc. and Kim Barker Lee
10.27†***	Form of Indemnification Agreement
10.28**	Form of Amended and Restated Limited Liability Company Agreement of Bally's Chicago Operating Company, LLC, to be in effect prior to the closing of this offering
10.29**	Form of Placement Agent Agreement for Private Placements
10.30***	Form of Subscription Agreement for Private Placements
10.31**	Agreement to Provide Future Guarantee, by and between Bally's Corporation and Bally's Chicago, Inc.
10.32**	Form of Stockholders Agreement, by and between Bally's Chicago, Inc. and Bally's Chicago Holding Company, LLC
10.33*	Support Letter from Bally's Corporation
21.1***	List of subsidiaries of Bally's Chicago, Inc.
23.1*	Consent of Deloitte & Touche LLP, independent registered public accounting firm
23.3***	Consent of Latham & Watkins LLP (included in Exhibit 5.1)
24.1***	Power of Attorney (included on the signature page of the initial filing of the Registration Statement)
99.1***	Consent of Renee Bradford, Director Nominee
99.2***	Consent of Blanton Canady, Director Nominee
99.3***	Consent of Ezequiel (Zeke) Flores, Director Nominee
99.4***	Consent of Edward Lou, Director Nominee
99.5***	Consent of Sharon Thomas Parrott, Director Nominee
107***	Filing Fee Table

* Filed herewith.

** To be filed by amendment.

*** Previously filed.

† Indicates a management contract or compensatory plan.

Portions of this exhibit (indicated by asterisks) have been omitted pursuant to Item 601(b)(10) of Regulation S-K.

^ Certain exhibits and schedules to this exhibit have been omitted pursuant to Item 601(a)(5) and (6) of Regulation S-K. The registrant will furnish copies of any of the exhibits and schedules to the Securities

and Exchange Commission upon request.

TABLE OF CONTENTS

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Chicago, Illinois, on this 29th day of January, 2025.

Bally's Chicago, Inc.

By: /s/ Ameet Patel

Name: Ameet Patel
Title: President

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed by the following persons in the capacities set forth opposite their names and on the date indicated above.

Signature	Title
/s/ Ameet Patel Ameet Patel	President (Principal Executive Officer) and Director
/s/ H. C. Charles Diao H. C. Charles Diao	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)
* Wanda Y. Wilson	Director, Chairperson
* Kim M. Barker	Director

*By: /s/ Ameet Patel

Ameet Patel
Attorney-in-fact

Exhibit B

Execution Copy

HOST COMMUNITY AGREEMENT

BY AND BETWEEN

CITY OF CHICAGO, ILLINOIS

AND

BALLY'S CHICAGO OPERATING COMPANY, LLC

TABLE OF CONTENTS

Page

1. Definitions; References. 2

2. General Provisions. 21
   - 2.1 Findings. 21
   - 2.2 Effectiveness and Certification. 21
   - 2.3 Closing Conditions. 21
   - 2.4 Term. 23

3. Project. 23
   - 3.1 Approvals; Permits and Other Items. 23
   - 3.2 Performance of Work. 26
   - 3.3 Duty to Complete; Commencement of Operations. 26
   - 3.4 Project Operations (Temporary Project). 27
   - 3.5 Project Operations (Permanent Project). 28

4. Other Obligations. 29
   - 4.1 Project Incentives. 29
   - 4.2 Minimum Capital Investment. 29
   - 4.3 Payment of Taxes and Fees. 29
   - 4.4 Additional Commitments. 30
   - 4.5 Payment of Development Process Cost Fees. 32
   - 4.6 Radius Restriction. 33
   - 4.7 Statutory Basis for Fees; Default Rate. 33
   - 4.8 Notice of Agreement. 34
   - 4.9 Financing. 34
   - 4.10 Closing Deliveries. 35
   - 4.11 Infrastructure Improvements. 36

5. Representations and Warranties. 36
   - 5.1 Representations and Warranties of Developer. 36
   - 5.2 Representations and Warranties of the City. 37

6. Covenants. 38
   - 6.1 Affirmative Covenants of Developer. 38
   - 6.2 License Application. 41
   - 6.3 Negative Covenants of Developer. 41
   - 6.4 Confidentiality of Deliveries. 41

7. Default. 42
   - 7.1 Events of Default. 42
   - 7.2 Remedies. 43
   - 7.3 Termination. 45
   - 7.4 Liquidated Damages. 46

8. Transfer of Ownership Interests. 47
8.1 Transfer of Ownership Interests. 47

9. Insurance. 47
9.1 Maintain Insurance. 47
9.2 Form of Insurance and Insurers. 47
9.3 Insurance Notice. 48
9.4 Keep in Good Standing. 48
9.5 Blanket Policies. 48

10. Damage and Destruction. 48
10.1 Damage or Destruction. 48
10.2 Use of Insurance Proceeds. 49
10.3 No Termination. 49
10.4 Condemnation. 49

11. Indemnification. 50
11.1 Indemnification by Developer. 50

12. Force Majeure. 52
12.1 Definition of Force Majeure. 52
12.2 Notice. 53
12.3 Delay of Performance. 53

13. Miscellaneous. 53
13.1 Notices. 53
13.2 Non-Action or Failure to Observe Provisions of this Agreement; Waiver 54
13.3 Applicable Law and Construction. 54
13.4 Submission to Jurisdiction; Service of Process. 55
13.5 Complete Agreement. 55
13.6 Holidays. 55
13.7 Exhibits. 55
13.8 No Joint Venture. 55
13.9 Unlawful Provisions Deemed Stricken. 55
13.10 No Liability for Approvals and Inspections. 56
13.11 Time of the Essence. 56
13.12 Captions. 56
13.13 Amendments. 56
13.14 Compliance. 56
13.15 Table of Contents. 56
13.16 Number and Gender; Inclusive Or. 57
13.17 Third-Party Beneficiary. 57
13.18 Cost of Investigation. 57
13.19 Further Assurances. 57
13.20 Estoppel Certificates. 57
13.21 Counterparts. 57

EXHIBIT A-1	**PERMANENT PROJECT INCENTIVES**	**A-1**
EXHIBIT A-2	**GOALS FOR CONTRACTING WITH CITY-BASED BUSINESSES, HIRING, CONSTRUCTION WORK HOURS, AND SOURCING OF GOODS AND SERVICES**	**A-2**
EXHIBIT A-3	**HUMAN RESOURCE HIRING AND TRAINING**	**A-3**
EXHIBIT A-4	**PLANS FOR COMPULSIVE BEHAVIOR TREATMENT; PROHIBITING UNDERAGE GAMBLING; PROJECT SECURITY; ATTRACTING NEW BUSINESSES TOURISTS AND VISITORS; USE OF CUSTOMER DATABASES AND IMPLEMENTING THE PROJECT THEME**	**A-4**
EXHIBIT A-5	**[RESERVED]**	**A-5**
EXHIBIT A-6	**PLAN FOR RELOCATING OR COMPENSATING EXISTING BUSINESSES**	**A-6**
EXHIBIT A-7	**PLANS FOR TRANSPORTATION DEMAND AND SUPPLY MANAGEMENT, TRAFFIC CONTROL MEASURES, PEDESTRIAN INGRESS AND EGRESS, USE OF CITY INFRASTRUCTURE, EVENT TRAFFIC AND PARKING, EMERGENCY ACCESS, ADDRESSING ANY ADDITIONAL BURDENS ON CITY INFRASTRUCTURE, AND MULTI-MODAL TRAFFIC INFRSTRUCTURE**	**A-7**
EXHIBIT A-8	**OTHER AGREEMENTS**	**A-8**
EXHIBIT A-9	**MINORITY AND WOMEN OWNERSHIP PROVISIONS**	**A-9**
EXHIBIT B-1	**PERMANENT PROJECT AND PERMANENT PROJECT DESCRIPTION**	**B-1**
EXHIBIT B-2	**TEMPORARY PROJECT AND TEMPORARY PROJECT DESCRIPTION**	**B-2**
EXHIBIT C-1	**PERMANENT PROJECT SITE**	**C-1**
EXHIBIT C-2	**TEMPORARY PROJECT SITE**	**C-2**
EXHIBIT D	**CONCEPT DESIGN DOCUMENTS**	**D-1**
EXHIBIT E	**FORM OF CASINO MANAGER TRANSFER RESTRICTION AGREEMENT**	**E-1**
EXHIBIT F	**FORM OF RESTRICTED PARTY TRANSFER RESTRICTION AGREEMENT**	**F-1**
EXHIBIT G	**FORM OF CLOSING CERTIFICATE**	**G-1**
EXHIBIT H	**FORMS OF RELEASES**	**H-1**
EXHIBIT I	**TYPES AND AMOUNTS OF INSURANCE**	**I-1**
EXHIBIT J	**FORM OF ESTOPPEL CERTIFICATE**	**J-1**
EXHIBIT K	**FORM OF RESTRICTED PARTY RADIUS RESTRICTION AGREEMENT**	**K-1**
EXHIBIT L	**FORM OF NOTICE OF AGREEMENT**	**L-1**

EXHIBIT M	**PERMITTED EXCEPTIONS**	**M-2**
EXHIBIT N	**FORM OF CASINO MANAGER SUBORDINATION AGREEMENT**	**N-1**
EXHIBIT O	**OWNERSHIP OF DEVELOPER AND CASINO MANAGER**	**O-1**
EXHIBIT P	**FORM OF GUARANTY AGREEMENT**	**P-1**

HOST COMMUNITY AGREEMENT

This Host Community Agreement is dated as of June 9, 2022, by and between the City of Chicago, Illinois, a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois, ("**City**"), having its principal place of business at 121 N. LaSalle Street, Chicago, Illinois 60602 and Bally's Chicago Operating Company, LLC, a Delaware limited liability company with a place of business at c/o Bally's Corporation, 100 Westminster Street, Providence, RI 02903 ("**Developer**"). Capitalized terms used and not defined elsewhere in this Agreement are defined in Section 1.

RECITALS

A. On June 28, 2019, the Governor of the State of Illinois (the "**State**") signed into law Public Act 101-0031, which public act significantly expanded gaming throughout the State by, among other things, amending the Illinois Gambling Act, 230 ILCS 10/1 et seq., as amended from time to time (such Illinois Gambling Act and all rules and regulations promulgated thereunder, the "**Act**") and authorizing the Illinois Sports Wagering Act, 230 ILCS 45/25 et seq., as amended from time to time (such Illinois Sports Wagering Act and all rules and regulations promulgated thereunder, the "**Sports Wagering Act**").

B. The Act authorizes the issuance of one (1) owners license within the City, and provides the City authority to regulate the location of the Project and regulate zoning, licensing, public health and other issues that are within the jurisdiction of the City concerning the Project;

C. Under Section 7(e-5) of the Act, for an application for a City-based owners license to be considered by the Illinois Gaming Board (the "**Board**"), the City must certify the following requirements (collectively, the "**(e-5) Requirements**") to the Board:

(i) that the applicant has negotiated with the City in good faith;

(ii) that the applicant and the City have mutually agreed on the permanent location of the casino;

(iii) that the applicant and the City have mutually agreed on the temporary location of the casino;

(iv) that the applicant and the City have mutually agreed on the percentage of revenues that will be shared with the City;

(v) that the applicant and the City have mutually agreed on any zoning, licensing, public health or other issues that are within the jurisdiction of the municipality or county;

(vi) that the City Council has passed a resolution or ordinance in support of the casino in the City;

(vii) that the applicant has made a public presentation concerning its casino proposal; and

(viii) that the applicant has prepared a summary of its casino proposal and such summary has been posted on a public website of the City.

D. The Project will result in Developer paying millions of dollars of property taxes, gaming taxes and fees to the City, investing millions of dollars in capital improvements in the City and creating thousands of construction jobs and direct jobs, as well as related indirect jobs and revenue, for both the City and the surrounding area.

NOW, THEREFORE, in consideration of their mutual execution and delivery of this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Definitions; References.

The terms defined in this Section 1 shall have the meanings indicated for purposes of this Agreement. Definitions which are expressed by reference to the singular or plural number of a term shall also apply to the other number of that term. References to Recitals, Sections and Exhibits herein refer to the Recitals and Sections in this Agreement and Exhibits attached to this Agreement.

"**Act**" is defined in Recital A.

"**Additional Commitments**" means collectively, those obligations of Developer set forth in Section 4.3.

"**Affiliate**" means a Person that directly or indirectly through one or more intermediaries, Controls or is Controlled by, or is under common Control with, another Person.

"**Agreement**" means this Host Community Agreement including all exhibits and schedules attached hereto, as the same may be amended, supplemented or otherwise modified from time to time.

"**Application**" means Developer's application for a License in the form and containing such information, documents, certifications and signatures as required by the Act.

"**Approvals**" means all or any licenses, permits, approvals, consents and authorizations that Developer is required to obtain from any Governmental Authority to perform and carry out its obligations under this Agreement, including, but not limited to, the Developer's License, the Planned Development, and such other permits and licenses necessary to complete the Work, and to open, operate and occupy the Project Site and the Project.

"**Board**" is defined in Recital C.

"**Bringdown Schedule**" is defined in Section 2.3(c).

"**Business Day**" means all weekdays except Saturday and Sunday and those that are official legal holidays of the City, State or the United States government. Unless specifically stated as "Business Days," a reference to "days" means calendar days.

"**Casino**" means the premises, buildings and improvements in the City in which Gaming is conducted by Developer pursuant to the Act, the Sports Wagering Act and this Agreement, but shall not include any public streets or other public ways.

"**Casino Gaming Operations**" means any Gaming operations permitted under the Act or the Sports Wagering Act and offered or conducted at the Project.

"**Casino Management Agreement**" means any agreement or arrangement that may be entered into by and between Developer and a Casino Manager or pursuant to which Developer pays any fees to a Casino Manager.

"**Casino Manager**" means any Person (a) who or which has been engaged, hired or retained by or on behalf of Developer to manage or operate the Casino and the Casino Gaming Operations or (b) to whom or which Developer has any liability to pay management fees, license fees, royalties or like payments for the management or operation of the Casino and the Casino Gaming Operations, in each case, excluding Developer's employees and the employees of Parent Company and its subsidiaries.

"**Certification**" shall mean the certification made by the City that Developer has satisfied the (e-5) Requirements.

"**City**" means the City of Chicago, Illinois, a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois.

"**City Consultants**" is defined in the definition of "Development Process Cost Fees".

"**City Council**" shall mean the duly elected municipal council of the City of Chicago, Illinois.

"**Closing Certificate**" means the certificate to be delivered by Developer in substantially the form of Exhibit G.

"**Closing Conditions**" is defined in Section 2.3.

"**Closing Date**" is defined in Section 4.10.

"Closing Deliveries" is defined in Section 2.3(a).

"**Complete**" means the substantial completion of the Work, as evidenced by the issuance of a temporary certificate of occupancy by the appropriate Governmental Authority for all Components to which a certificate of occupancy would apply, and in any case that:

(a) in the case of either Project, not less than seventy-five percent (75%) of the Gaming Area is open to the general public for its intended use;

(b) in the case of the Temporary Project, Gaming Machines and Table Games constituting not less than 600 Gaming Positions have been installed and are operable for Casino Gaming Operations; and

(c) in the case of the Permanent Project, not less than:

(i) seventy-five percent (75%) of the Parking Spaces are open for their intended use by patrons and employees of the Project;

(ii) seventy-five percent (75%) of the Initial Hotel Rooms are rented or available for rental by overnight guests;

(iii) seventy-five percent (75%), taken as a whole, of the Retail Floor Space, the Restaurant Floor Space, the Event Space, the Exhibition Space, the Visitor Center Space and the other Components, but excluding the Greenspace, is open to the general public for its intended use, including at least five (5) distinct food and beverage outlets (counting a 'food hall', 'marketplace', 'food truck stand', cafeteria or other venue featuring multiple outlets but common patron seating as a single outlet); and

(iv) the Riverwalk Running Length is open for traverse by the general public alongside the Chicago River for all or such portion of the length of the Project Site (Permanent) as determined by the Planned Development and, taken as a whole, seventy-five percent (75%) complete.

"**Component**" means any of the following:

(i) the Parking Spaces;

(ii) the Gaming Area;

(iii) the Gaming Machines, the Table Games and the Poker Tables;

(iv) an in-person sports book located at the Project in accordance with any requirements therefor necessary to comply with the Sports Wagering Act;

(v) the Retail Floor Space;

(vi) the Restaurant Floor Space, including (A) at least five (5) table-service restaurants, (B) at least one (1) fast-casual restaurant or 'food hall', (C) at least one carry-out or 'café' food service establishment, (D) the Rooftop Bar, and (E) at least four (4) other bars and lounges;

(vii) the Hotel Tower;

(viii) the Hotel Rooms;

(ix) the Event Space;

(x) the Exhibition Space;

(xi) the Visitor Center Space;

(xii) the Riverwalk Running Length;

(xiii) the Required Seawall Running Length (if any);

(xiv) the Greenspace;

(xv) private bus, limousine and taxi parking and staging areas;

(xvi) the other facilities described on Exhibits B-1 and B-2; and

(xvii) such other major facilities that may be added as components by amendment to this Agreement.

"**Concept Design Documents**" means documents for the design of the Project as described on Exhibit D, which such documents may be subject to change, alteration or modification as provided in Section 3.1(c) and (e).

"**Condemnation**" means a taking of all or any part of the Project by eminent domain, condemnation, compulsory acquisition or similar proceeding by a competent authority for a public or quasi-public use or purpose.

"**Construction Completion Date (Permanent Project)**" means the date occurring no later than thirty-six (36) months and one day following Operations Commencement for the Temporary Project, *provided*, *however,* that upon written request of the Developer to the City and upon Developer's showing that it timely commenced and has been diligently pursuing construction of the Permanent Project, the City may consent to up to two three (3)-month extensions of the Construction Completion Date (Permanent Project) followed by one two (2)-month extension of the Construction Completion Date (Permanent Project) (each, a "**Permanent Project Extension**"), the first of which shall be consented to automatically by the City and any subsequent consent not to be unreasonably withheld, conditioned, or delayed. In the event that the Construction Completion Date (Permanent Project) is extended beyond the period terminating thirty-six (36) months and one day following Operations Commencement for the Temporary Project and the Temporary Project does not remain operational and open to the public, the City may exercise its rights under Section 7.4 hereunder. The City shall not grant more than three (3) Permanent Project Extensions without an amendment of this Agreement.

"**Construction Completion Date (Temporary Project)**" means the date occurring no later than twelve (12) months following the date on which the Board reaches a Finding of Preliminary Suitability for the Developer, *provided*, *however,* that upon written request of the Developer to the City and upon Developer's showing that it timely commenced and has been diligently pursuing construction of the Temporary Project, the City may consent to up to two extensions of the Construction Completion Date (Temporary Project), an initial three (3)-month extension and, if requested by Developer, a two (2)-month extension (each, a "**Temporary Project Extension**"), in each case the City's consent not to be unreasonably withheld, conditioned, or delayed, *provided further, however*, that the City shall not grant more than two (2) Temporary Project Extensions without an amendment of this Agreement.

"**Control(s)**" or "**Controlled**" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, as such terms are used by and interpreted under federal securities laws, rules and regulations.

"**Court**" is defined in Section 13.4.

"**Default**" means any event or condition that, but for the giving of a Default Notice or the lapse of time, or both, would constitute an Event of Default.

"Default Notice" means a written notice addressed to Developer by the City that a Default has occurred.

"**Default Period**" is defined in Section 7.4.

"**Default Rate**" means a rate of interest at all times equal to the greater of (i) the rate of interest announced from time to time by Bank of America, N.A. ("**B of A**"), or its successors, as its prime, reference or corporate base rate of interest, or if B of A is no longer in business or no longer publishes a prime, reference or corporate base rate of interest, then the prime, reference or corporate base rate of interest announced from time to time by the bank with offices in Chicago, Illinois having from time to time the largest capital surplus, plus four percent (4%) per annum, or (ii) six percent (6%) per annum, provided, however, the Default Rate shall not exceed the maximum rate allowed by applicable law.

"**Developer**" means Bally's Chicago Operating Company, LLC, its successors or assigns as permitted hereunder.

"Developer's Confidential Items" is defined in Section 6.4.

"**Developer's License**" means the License issued to the Developer.

"**Developer's Payments**" is defined in Section 4.7(a).

"Developer's Response" means the proposal and all information contained therein, dated October 29, 2021, as supplemented through the date of this Agreement, submitted by Developer to the City in response to the Request for Proposal.

"**Development Process Cost Fees**" means the aggregate amount of any and all costs and expenses in good faith incurred by the City to third parties (including attorneys, paralegal professionals, accountants, consultants and others at such professionals', consultants' and others' customary rates charged to their respective non-municipal clients), whether before, on or after the date hereof and whether retained by the City directly or through one or more of such third parties, in connection with the City's preparation of the Request for Proposal and review of responses relating thereto; the City's due diligence, mitigation review, study and investigations of and concerning the Project and Developer; the selection of Developer as the Person with whom the City has negotiated this Agreement; the negotiation, interpretation, preparation, compliance with and enforcement of this Agreement; the planning, zoning, development, construction, ownership,

management, use or operation of the Project; the issuance, maintenance or revocation of the Developer's License; Developer's compliance with the Act; review of Developer's Application and any limitations on its License; and any litigation filed by or against the City or in which the City intervenes in connection with any of the foregoing. Such third parties shall be referred to herein as the "**City's Consultants**".

"**Direct Or Indirect Interest**" means an interest in an entity held directly or an interest held indirectly through interests in one or more intermediary entities connected through a chain of ownership to the entity in question, taking into account the dilutive effect of the interests of others in such intermediary entities.

"**(e-5) Requirements**" is defined in Recital C.

"**EAV**" means Equalized Assessed Valuation.

"**EBITDAM**" means, for any period, earnings before interest, income taxes, depreciation, amortization and Management Fees of the Developer for such period, determined in accordance with GAAP applied consistently with Developer's audited financial statements; provided, that, while EBITDAM may make provision for allocation of Project-related corporate-level expenditures of Parent Company (e.g., for compensation and benefits payable in respect of employees of the Project), EBITDAM shall add back all "home office" or other overhead unrelated to the Project.

"**Effective Date**" is defined in Section 2.2.

"**Escrow Agent**" is defined in Section 10.4.

"**Event**" or "**Events**" are defined in the definition of "Material Adverse Effect".

"**Event of Default**" is defined in Section 7.1.

"**Event Space**" means approximately 65,000 square feet of interior space in the Permanent Project which is designed, constructed, finished and fitted out for use as one or more theater, live music, convention or special events venues in accordance with First-Class Project Standards and Governmental Requirements but, in any case, at least one such venue capable of seating approximately 3,000 attendees; *provided*, that "Event Space" does not include any of the Gaming Area, the Restaurant Floor Space, the Retail Floor Space, the Hotel Rooms, the Hotel Tower, the Exhibition Space or the Visitor Center.

"**Exhibition Space**" means approximately 23,000 square feet of interior space in the Permanent Project which is designed, constructed, finished and fitted out for use museum/exhibition space in accordance with First-Class Project Standards and Governmental Requirements; *provided*, that "Exhibition Space" does not include any of the Gaming Area, the Restaurant Floor Space, the Retail Floor Space, the Hotel Rooms, the Hotel Tower, the Event Space or the Visitor Center.

"**Financing**" means the act, process or an instance of obtaining funds specifically designated by Developer, Parent Company or any Affiliate of Developer or Parent Company for use in the Project (including any securities having a prospectus or other offering document which expressly lists the Project or the design, development, construction, fitting out, bankroll or operation thereof as a use of net proceeds from the sale of such securities), whether secured or unsecured, or whether initially funded or as part of a refinancing, including (i) issuing securities; (ii) drawing upon any existing or new credit facility; or (iii) contributions to capital by any Person.

"**Final Completion (Permanent Project)**" means the completion of the Work, as evidenced by the issuance of a temporary certificate of occupancy by the City's Department of Buildings for all Components comprising the Permanent Project to which a certificate of occupancy would apply, and, in any case, that not less than:

(i) ninety percent (90%) of the Parking Spaces are open for their intended use by patrons and employees of the Project;

(ii) ninety percent (90%) of the Gaming Area is open to the general public for its intended use;

(iii) ninety percent (90%), taken as a whole, of the Hotel Tower shall be completed and the Hotel Extension Infrastructure installed;

(iv) ninety percent (90%) of the Initial Hotel Rooms are rented or available for rental by overnight guests;

(v) ninety percent (90%), taken as a whole, of the Retail Floor Space, the Restaurant Floor Space, the Event Space, the Exhibition Space, the Visitor Center Space, the Greenspace, the Riverwalk Running Length and all of the remaining Components is open to the general public for its intended use, including at least the Rooftop Bar and five (5) other distinct food and beverage outlets (counting a 'food hall', 'marketplace', 'food truck stand', cafeteria or other venue featuring multiple outlets but common patron seating as a single outlet); and

(vi) the Riverwalk Running Length is open for traverse by the general public for at least the length of adjacency with the Hotel Tower and Casino.

"**Final Completion (Temporary Project)**" means the completion of the Work, as evidenced by the issuance of a temporary certificate of occupancy by the City's Department of Buildings for all Components comprising the Temporary Project to which a certificate of occupancy would apply, and, in any case, that not less than:

(i) ninety percent (90%) of the Gaming Area is open to the general public for its intended use; and

(ii) in the case of the Temporary Project, Gaming Machines and Table Games constituting not less than 800 Gaming Positions have been installed and are operable for Casino Gaming Operations.

"**Final Completion Date**" means (i) for the Temporary Project, the date occurring no later than three (3) months following the Construction Completion Date (Temporary Project), unless otherwise agreed to by the Parties in writing and (ii) for the Permanent Project, the date occurring no later than six (6) months following Construction Completion Date (Permanent Project).

"**Finding of Preliminary Suitability**" is defined in Section 3.1(a).

"**Finish Work**" refers to the finishes which create the internal and external appearance of the Project.

"**First-Class Project Standards**" means: (a) facilities and amenities for the Components consistent with the level and quality of other high-end integrated casino resort developments opened in urban settings in the United States in the six (6) years prior to the Closing Date; (b) the Finish Work and furnishings is to the level and quality of high-end integrated casino resort developments opened in urban settings in the United States in the six (6) years prior to the Closing Date; and (c) five-star quality for 100 guest suites and 400 hotel guest rooms comparable to other high-end luxury hotels.

"**Force Majeure**" is defined in Section 12.1.

"**Force Majeure Period**" means, with respect to any event of Force Majeure:

(a) the period commencing on the date when the event of Force Majeure occurs and continuing thereafter until the earlier of (x) the cessation of the event of Force Majeure or (x) the first date when Developer, its agents and contractors could, through the prompt and diligent exertion by Developer, its agents and its contractors of all commercially reasonable efforts cure, the delay resulting from the event of Force Majeure notwithstanding that the event of Force Majeure is then ongoing; plus

(b) the additional period, if any, continuing immediately after the cessation of such event of Force Majeure (x) during which ongoing delay, beyond the reasonable control of Developer (and its agents and contractors) and of which such event of Force Majeure is the predominant and proximate cause, continues to impair in a material respect the performance of Developer's obligations under this Agreement notwithstanding the prompt and diligent exertion by Developer, its agents and its contractors of all commercially reasonable efforts so to perform and (y) which could not have been avoided or shortened by commercially reasonable efforts to foresee, mitigate or cure such continuing delay (to the extent that such delay was foreseeable or susceptible to mitigation or cure), by Developer and its agents and contractors;

(c) provided, that each day when performance is so delayed shall be counted only once notwithstanding that multiple events of Force Majeure may have occurred and, as yet, not have ceased or the delay therefrom not have been cured on such day.

"**GAAP**" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or

in such other statements by such other entity as may be approved by a significant segment of the accounting profession for use in the United States, which are applicable to the circumstances as of the date of determination.

"Gambling Game" shall have the same definition as in the Act.

"**Gaming**" means the conduct of a Gambling Game or Sports Wagering.

"**Gaming Area**" means any space in the Project, as authorized by Governmental Requirements, in which Casino Gaming Operations occurs, together with the immediately adjoining patron circulation space, consisting of (i) approximately 168,000 contiguous square feet on a single level in the case of the Permanent Project and (ii) approximately 37,000 square feet in the case of the Temporary Project, in each case, which has been designed, constructed, finished and fitted out in accordance with First-Class Project Standards and Governmental Requirements; *provided*, that "Gaming Area" does not include any of the Retail Floor Space, the Restaurant Floor Space, the Hotel Rooms, the Hotel Tower, the Event Space, the Exhibition Space or the Visitor Center Space.

"**Gaming Authority**" or "**Gaming Authorities**" means any agencies, authorities and instrumentalities of the City, State, or the United States, or any subdivision thereof, having jurisdiction over the Gaming or related activities at the Casino, including the Board, or their respective successors.

"**Gaming Positions**" means 'gaming positions' as defined in the rules of the Board promulgated under the Act.

"**Gaming Machines**" means (i) approximately 3,400 Slot Machines (as such term is defined in the Act) in the case of the Permanent Project and (ii) approximately 500 Slot Machines (as such term is defined in the Act) in the case of the Temporary Project.

"**Governmental Authority**" or "**Governmental Authorities**" means any federal, state, county or municipal governmental authority (including the City), including all executive, legislative, judicial and administrative departments and bodies thereof (including any Gaming Authority) having jurisdiction over Developer or the Project.

"**Governmental Requirements**" means the Act, Sports Wagering Act, Municipal Code and all laws, ordinances, statutes, executive orders, rules, zoning requirements, policies (including but not limited to the City's Sustainable Development Policy) and agreements of any Governmental Authority that are applicable to the acquisition, remediation, renovation, demolition, development, construction and operation of the Project including all required permits, approvals and any rules, guidelines or restrictions enacted or imposed by Governmental Authorities.

"**Greenspace**" means two and 40/100 (2.40) contiguous acres of the Project Site (Permanent) which (i) is free of structures and other erections (excepting fencing and directional signage) and free of parking areas, loading docks, roadways, driveways, (ii) is not bisected by any roadways or driveways, (iii) has been graded and landscaped in accordance with First-Class

Project Standards and Governmental Requirements, (iv) is accessible from public ways by members of the general public on foot and by bicycle without having to traverse any interior portions of the Permanent Project or the Parking Spaces, (iv) is not designed or intended to be used for storage of equipment, material, refuse or debris or for accumulation, storage, treatment or infiltration of runoff or storm water, and (v) is designed and intended to be useable by the general public for non-commercial recreational purposes without cost or advance registration, except when closed by Developer as reasonably necessary to prepare for, conduct and clean up from any special event conducted thereon; *provided*, that the Greenspace does not include any portion of the Riverwalk Running Length, any greenspace resulting from required setbacks from public ways or property boundaries, any greenspace resulting from easements or access rights of record affecting the Project Site (Permanent), or any greenspace the principal or predominant design purpose of which is ingress to, egress from or circulation upon the Project Site, the Parking Spaces, or the Casino by vehicles or pedestrians.

"**Guaranty Agreement**" means the Guaranty Agreement dated as of the Closing Date between the City and the Parent Company in the form and on the terms of Exhibit P attached hereto.

"**Initial Hotel Rooms**" means not less than 100 hotel guest rooms and suites located in the Hotel Tower and which have been designed, constructed, finished and fitted out in accordance with First-Class Project Standards and Governmental Requirements.

"**Hotel Extension Infrastructure**" means interior space of the Permanent Project of sufficient square footage to contain the Hotel Extension Rooms, and related patron and employee circulation spaces, which is designed and constructed as unfinished 'raw space' but is equipped with sufficient life safety systems and equipment to allow all of the other Components to fully open on an indefinite basis, together with elevators, stairwells and other means of ingress and egress and with electricity, fresh water, wastewater, domestic hot water, standpipe, telephone, cable television, internet and other utilities sufficient to serve the Hotel Extension Rooms.

"**Hotel Extension Rooms**" means not less than 400 hotel guest rooms and suites located in the Hotel Tower and which have been designed, constructed, finished and fitted out in accordance with First-Class Project Standards and Governmental Requirements; *provided*, for the avoidance of doubt that the Hotel Extension Rooms are incremental to, and not duplicative of, the Initial Hotel Rooms.

"Hotel Rooms" means the Initial Hotel Rooms and the Hotel Extension Rooms; *provided,* for the avoidance of doubt, that the Hotel Tower would contain a total of not less than 500 Hotel Rooms if the Hotel Extension Rooms are constructed; *provided, further*, that "Hotel Rooms" does not include the Gaming Area, the Retail Floor Space, the Restaurant Floor Space, the Hotel Tower, the Event Space, the Exhibition Space or the Visitor Center Space.

"**Hotel Tower**" means the Components related to the Hotel Rooms, including lobby areas, administrative offices, housekeeping and other back-of-house areas, fitness center, spa, pool, hot tub, all of which have been designed, constructed, finished and fitted out in accordance with First-

Class Project Standards and Governmental Requirements; provided that "Hotel Tower" does not include the Hotel Rooms.

"**including**" and any variant or other form of such term means including but not limited to.

"**Indemnitee**" is defined in Section 11.1(a).

"**Initial Temporary Project Operation Period**" is defined in Section 3.4(c).

"**Labor Peace Agreement**" is defined in Section 4.4(e).

"**License**" shall mean an owners license issued by the Board pursuant to the Act authorizing the conduct of casino or riverboat gambling operations in the City.

"**Local Tax Revenue**" means the total tax revenue received by the City, Chicago Public Schools, the Metropolitan Pier and Exhibition Authority, the Illinois Sports Facilities Authority and other units of local government from the following taxes: (a) the portion to be paid to the City pursuant to subsection (b-8) of Section 13 of the Act from the gaming privilege tax imposed upon the owners licensee of the Casino and payable to the City under paragraph (2) of subsection (a-5) of Section 13 of the Act based the 'adjusted gross receipts' (as defined in the Act) of the Casino in the Reference Year (Temporary) or the Reference Year (Permanent), as applicable; (b) the portion to be remitted to the City pursuant to subsection (b-10) of Section 12 of the Act from the admission tax imposed upon the owners licensee of the Casino under subsection (a) of Section 12 of the Act and of the fee imposed upon the owners licensee of the Casino under subsection (a-5) of Section 12 of the Act, in each case, based upon the 'admissions' (as defined in the Act) to the Casino during the Reference Year (Temporary) or Reference Year (Permanent); (c) the total levy of *ad valorem* property taxes for the Reference Year (Temporary) or Reference Year (Permanent), as applicable, payable in respect of the EAV of the Temporary Project or Permanent Project, as applicable, pursuant to the Illinois Property Tax Code, based upon the EAV of the Temporary Project or Permanent Project, as applicable, which was assumed by the Projected Revenue Analysis regardless of the 'taxing district', as defined in the Illinois Property Tax Code, levying such property taxes or any portion thereof; (d) the tax imposed pursuant to Section 4-236-020 of the Chicago Municipal Code upon the use and privilege of parking a motor vehicle at the Project, based upon the assumptions about visitation, personal automobile mode share and parking fees at the Project which were assumed by the Projected Revenue Analysis; (e) the tax imposed pursuant to Section 3-24-030 of the Chicago Municipal Code upon the rental or leasing of hotel accommodations at the Project, based upon the hotel revenues for the Project projected in the Projected Revenue Analysis; (f) the tax imposed pursuant to Section 3-30-030 of the Chicago Municipal Code upon the selling price of all food and beverages sold at retail at the Project, based upon the food and beverage revenues for the Project projected in the Projected Revenue Analysis; (g) the tax imposed pursuant to 70 ILCS 210/13(c) upon Developer's gross rental receipts from the renting, leasing, or letting of hotel rooms within the City of Chicago, based upon the hotel revenues for the Project projected in the Projected Revenue Analysis; (h) the tax imposed pursuant to 70 ILCS 210/13(b) upon Developer's sales of food, alcoholic beverages, and soft drinks, based upon the food and beverage revenues for the Project projected in the Projected Revenue Analysis; and (i) the tax imposed pursuant to 70 ILCS 210/13(c) upon Developer's gross rental receipts from

the renting, leasing, or letting of hotel rooms within the City of Chicago, based upon the hotel revenues for the Project projected in the Projected Revenue Analysis.

"**Major Condemnation**" means a Condemnation either (i) of the entire Project, or (ii) of a portion of the Project if, as a result of the Condemnation, it would be imprudent or unreasonable to continue to operate the Project even after making all reasonable repairs and restorations.

"**Management Fee**" means the fees paid to a Casino Manager or its Affiliates pursuant to a Casino Management Agreement, including overhead attributable to the Project.

"**Material Adverse Effect**" or **"Material Adverse Change"** means any change, effect, occurrence or circumstances (each, an "**Event**" and collectively, "**Events**") that, individually or in the aggregate with other Events, is or would reasonably be expected to be materially adverse to the condition (financial or otherwise), business, operations, prospects, properties, assets, cash flows or results of operations of the Developer, taken as a whole or the ability of Developer to perform its obligations hereunder in a timely manner; provided, however, that none of the following shall be taken into account in determining whether a Material Adverse Effect or Material Adverse Change has occurred or would reasonably be expected to occur: (i) any Event in the United States or global economy generally, including Events relating to world financial or lending markets; (ii) any changes or proposed changes in GAAP; and (iii) any hostilities, act of war, sabotage, terrorism or military actions or any escalation or worsening of any such hostilities, act of war, sabotage, terrorism or military actions, except, in the case of clauses (i), (ii) or (iii) to the extent such Event(s) affect the Developer, taken as a whole, in a materially disproportionate manner as compared to similarly situated companies.

"**Material Change**" means a change that: (i) requires a PD amendment, (ii) substantially affects or could reasonably be expected to substantially affect the Project whether in scope, size, design or otherwise, or other obligations of the Developer as provided in the Agreement; or (iii) results in or could reasonably be expected to result in reduction in Project cost, other than by virtue of value engineering or market changes of general applicability to the costs of material or labor. Without limiting the foregoing, the addition or deletion of a Component from the Project shall be deemed a Material Change.

"**Minimum Capital Investment**" means the sum of the following costs incurred by Developer in connection with the Temporary Project and the Permanent Project: (i) costs related to the actual construction of the Temporary Project and the Permanent Project, including overhead and indirect costs attributable to the construction activities; (ii) costs related to preparation of the Project Site (Temporary) and/or the Project Site (Permanent) including, clearing, demolition, remediation and abatement; (iii) any industrial corridor conversion payment made to the City in connection with either or both the Temporary Project and the Permanent Project; (iv) the costs associated with designing, improving or constructing the infrastructure inside the property boundaries of the Project Site (Temporary) and the Project Site (Permanent); (v) costs of pre-opening furniture, fixtures, equipment, gaming equipment, information technology and personal property; and (vi) professional fees including for engineers, architects, legal advisors, consultants or contractors to the extent that they represent costs related to the development of the Temporary Project and/or the Permanent Project and do not represent "home office" overhead. For purposes of clarification, Minimum Capital Investment does not include the cost of purchasing, optioning

or leasing the Project Site (Temporary) or the Project Site (Permanent), carried interest costs and other associated financing costs, or infrastructure costs outside the boundaries of the Project Site (Temporary) or the Project Site (Permanent).

"**Minor Condemnation**" means a Condemnation that is not a Major Condemnation.

"**Mortgage**" means a mortgage on and associated security agreements relating to all or any part of Developer's interest in the Project.

"**Mortgagee**" means the holder from time to time of a Mortgage.

"**Municipal Code**" means the municipal code of the City.

"**Notice of Agreement**" means a notice of this Agreement in substantially the same form as Exhibit L.

"**Operations Commencement (Permanent Project)**" means that the Permanent Project is Complete and open for business to the general public and all Project Infrastructure has been completed, in each case, in accordance with all Governmental Requirements.

"**Operations Commencement (Temporary Project)**" means that the Temporary Project is Complete and open for business to the general public and all Project Infrastructure has been completed, in each case, in accordance with all Governmental Requirements.

"**Operations Commencement Date**" means (i) for the Temporary Project, the date occurring no later than two (2) months following the Construction Completion Date (Temporary Project) and (ii) for the Permanent Project, the date occurring no later than three (3) months following the Construction Completion Date (Permanent Casino).

"**Parent Company**" means Bally's Corporation, a Delaware corporation, and its successors and assigns.

"Parking Spaces" means, in the case of the Permanent Project, parking spaces and related vehicular circulation, ingress and egress infrastructure for 3,300 personal automobiles in a dedicated, off-street parking structure located at the Project Site (Permanent), in each case, which has been designed, erected and fitted out in conformity with Governmental Requirements; *provided,* for the avoidance of doubt, that, although the Concept Design Documents and Project Description contemplate the allocation of such 3,300 parking spaces among users (approximately 2,200 patron spaces, approximately 600 employee spaces and approximately 500 valet spaces), all references to "Parking Spaces" in this Agreement refer only to the total number of parking spaces which are so provided and not to the specific allocation of such parking spaces among any users.

"**Parties**" means the City and Developer.

"**Passive Investor"** means:

(a) any Person who owns less than a ten percent (10%) Direct Or Indirect Interest in Developer or Casino Manager and acquired and holds such interest for

investment purposes only, such interest was acquired and is held not for the purpose or effect of (i) causing the election or appointment of any management member of Developer or Casino Manager, (ii) causing, directly or indirectly, any change in the charter documents (including articles of incorporation, bylaws or other documents), or other limited liability company or operating agreements, management, policies or operations of Developer or Casino Manager, or (iii) controlling, influencing, affecting or being involved in the business activities of Developer or Casino Manager; and

(b) at any time when Parent Company's shares of common stock are listed on a national securities exchange registered under Section 6 of the Exchange Act, "Passive Investor" also means any Person who or which owns a Direct or Indirect Interest in Parent Company, individually or as part of a group (as defined under Rule 13d-5 under the Exchange Act), including any beneficial interest (as defined under Rule 13d-3 under the Exchange Act), less than twenty-five percent (25%) (calculated in accordance with paragraph (j) of Rule 13d-1 under the Exchange Act) of Parent Company's common stock which is so publicly traded, *provided* that (x) such Person is current in the Person's reporting obligations under Section 13 of the Exchange Act, (y) if such Person beneficially owns more than five percent (5%) of the outstanding shares of Parent Company's common stock, such Person is eligible or would (excepting only that the Person directly or beneficially owns 20% or more but less than 25% of the outstanding shares of Parent Company's common stock) be eligible to report the Person's ownership of and transactions in Parent Company's common stock pursuant to Section 13 of the Exchange Act by filing a short-form statement with the SEC on Schedule 13G in accordance with paragraphs (b) or (c) of Rule 13d-1, and (z) such Person is not required in accordance with paragraphs (e) or (g) of Rule 13d-1 to file a statement on Schedule 13D due to any recent transaction in the shares of Parent Company's common stock or change in facts or circumstances.

"**Permanent Project**" means the premises at which Casino Gaming Operations will be conducted at the Project Site (Permanent), and all buildings, structures, facilities, Components and Project Infrastructure, all of which are more specifically described on Exhibit B-1 and depicted in the Concept Design Documents.

"**Permitted Exception**" is defined in Section 5.1(g).

"**Permitted Transfer**" means those Transfers of any Direct Or Indirect Interest in a Restricted Party permitted pursuant to the terms of those certain Transfer Restriction Agreements entered into by a Restricted Party from time to time as provided in Section 8.1.

"**Person**" means an individual, a corporation, partnership, limited liability company, association or other entity, a trust, an unincorporated organization, or a governmental unit, subdivision, agency or instrumentality.

"**PD" or "Planned Development**" means the 'planned development', as such term is defined in Section 17-17-02120 of the Municipal Code of Chicago, for the Permanent Project, being Planned Development #1426, as the same is in effect on the date of this Agreement and may hereafter be amended in accordance with the City's planned development procedures, Section 17-

13-0600 *et seq.* of the Municipal Code of Chicago, and any minor changes therein which are approved in accordance with Section 17-13-0611 of the Municipal Code of Chicago.

"**PD Improvements**" means any traffic-related or other public infrastructure improvements that the Developer is required to provide under the PD, whether located on the Project Site (Permanent) or off-site.

"**Poker Tables**" means (i) approximately 20 'table games' (as such term is defined in the Act) intended for use of Gambling Games which are not 'house banked' in the case of the Permanent Project and (ii) approximately 35 'table games' (as such term is defined in the Act) intended for use of Gambling Games which are not 'house banked' in the case of the Temporary Project.

"**Proceeds**" means the compensation paid by the condemning authority to the City or Developer in connection with a Condemnation, whether recovered through litigation or otherwise, but excluding any compensation paid in connection with a temporary taking.

"Project" means, as the case may be, each of, or collectively, the Permanent Project or the Temporary Project.

"**Project Description**" means the respective detailed descriptions of the Permanent Project on Exhibit B-1 and the Temporary Project on Exhibit B-2 but, in any case, includes not less than:

(i) the Parking Spaces;

(ii) the Gaming Area;

(iii) the Gaming Machines, the Table Games and the Poker Tables;

(iv) an in-person sports book located at the Project in accordance with any requirements therefor necessary to comply with the Sports Wagering Act;

(v) the Retail Floor Space;

(vi) the Restaurant Floor Space, including (A) at least five (5) table-service restaurants, (B) at least one (1) fast-casual restaurant or 'food hall', (C) at least one carry-out or 'café' food service establishment, (D) the Rooftop Bar, and (E) at least four (4) other bars and lounges;

(vii) the Hotel Tower;

(viii) the Hotel Rooms;

(ix) the Event Space;

(x) the Exhibition Space;

(xi) the Visitor Center Space;

(xii) the Riverwalk Running Length;

(xiii) the Required Seawall Running Length (if any); and

(xiv) the Greenspace.

"**Project Incentives**" means the One-Time Payment, the Direct Impact Fee and the Indirect Impact Fee described on Exhibit A-1.

"**Project Infrastructure**" means, with respect to the Project, all infrastructure improvements to the Project Site (Temporary) or Project Site (Permanent), as the case may be, whether PD Improvements, required by any Government Authorities or otherwise set forth in the Project Description or depicted on the Concept Design Documents.

"**Project Site**" means, as the case may be, the Project Site (Permanent) or Project Site (Temporary).

"**Project Site (Permanent)**" means the land assemblage upon which the Permanent Project is to be developed and constructed, as depicted on Exhibit C-1.

"**Project Site (Temporary)**" means the land assemblage upon which the Temporary Project is to be developed and constructed, as depicted on Exhibit C-2.

"**Projected Annual Local Revenue (Permanent)**" means, for any day, the projected Local Tax Revenue in the Reference Year (Permanent) in which such day occurs, assuming that the Permanent Project is open to the public for the entirety of the Reference Year (Permanent), based upon the final projection of Local Tax Revenue pursuant to which the City entered into this Agreement with Developer, as communicated to the City in the Projected Revenue Analysis.

"**Projected Annual Local Revenue (Temporary)**" means, for any day, the projected Local Tax Revenue in the Reference Year (Temporary) in which such day occurs, assuming that the Temporary Project is open to the public for the entirety of the Reference Year (Temporary), based upon the final projection of Local Tax Revenue pursuant to which the City entered into this Agreement with Developer, as communicated to the City in the Projected Revenue Analysis.

"**Projected Per-Diem Amount (Permanent)**" means, for any day, an amount equal to the quotient of (a) the Projected Annual Local Revenue (Permanent) for the year in which such day occurs divided by (b) three hundred sixty five (365).

"**Projected Per-Diem Amount (Temporary)**" means, for any day, an amount equal to the quotient of (a) the Projected Annual Local Revenue (Temporary) for the year in which such day occurs divided by (b) three hundred sixty five (365).

"**Projected Revenue Analysis**" the final report, dated May 16, 2022, from Sovereign Finance LLC to the City reporting Sovereign Finances, LLC's estimates of the Projected Local

Tax Revenue, of which each Party acknowledges, as of the date of this Agreement, having received a copy.

"**Publicly Traded Corporation**" means a Person, other than an individual, to which either of the following provisions applies: the Person has one (1) or more classes of voting securities registered under Section 12 of the Securities Exchange Act of 1934, 15 U.S.C. §781, as amended; or the Person issues securities and is subject to Section 15(d) of the Securities Exchange Act of 1934, 15 U.S.C. §780(d), as amended.

"**Radius Restriction**" is defined in Section 4.6(a).

"**Radius Restriction Agreement(s)**" means the agreement(s) dated as of the Closing Date between the City and each of the Restricted Party(ies) as requested by the City in substantially the same form as Exhibit K.

"**Reference First Year (Permanent)**" means the first full year of operations of the Permanent Project for which a projection of the Local Tax Revenue to be received for such year is provided in the Projected Revenue Analysis.

"**Reference Second Year (Permanent)**" means the second full year of operations of the Permanent Project for which a projection of the Local Tax Revenue to be received for such year is provided in the Projected Revenue Analysis.

"**Reference Third Year (Permanent)**" means the third full year of operations of the Permanent Project for which a projection of the Local Tax Revenue to be received for such year is provided in the Projected Revenue Analysis.

"**Reference Year (Permanent)**" means:

(a) with respect any day for which amounts are payable to the City pursuant to subsections (b) or (c) of Section 7.4, (i) the Reference First Year (Permanent); and

(b) with respect any day for which amounts are payable to the City pursuant to subsections (d) of Section 7.4, (i) the Reference First Year (Permanent) if such day is a day in the twelve (12) month period commencing on Operations Commencement (Permanent), (ii) the Reference Second Year (Permanent) if such day is a day in the twelve (12) month period commencing on the first calendar anniversary of Operations Commencement (Permanent), or (iii) the Reference Third Year (Permanent) if such day is the second calendar anniversary of Operations Commencement (Permanent) or any day thereafter.

"**Reference Year (Temporary)**" the first full year of operations of the Temporary Project for which a projection of the Local Tax Revenue to be received for such year is provided in the Projected Revenue Analysis.

"**Releases**" means the executed releases to be delivered as part of the Closing Deliveries by Developer, its Affiliates and its other direct and indirect equity owners in substantially the same form as Exhibit H.

"**Request For Proposal**" means the City's request for a proposal dated April 21, 2021 and any amendments thereto, for the opportunity to apply for the sole casino license authorized by the Act for a casino to be located in the City.

"**Required Seawall Running Length**" means, to the extent that any portions of Chicago River embankment comprising the Eastern edge of the Project Site (Permanent) are to be characterized or delineated by a vertical bulkhead or seawall or other engineered structure as contemplated by the design of the Riverwalk Running Length, that such vertical bulkhead or seawall or other engineered structure has actually been installed and implemented along such portions of the Chicago River embankment in accordance with the City's *Chicago River Design Guidelines* (2019) and other Governmental Requirements.

"Restaurant Floor Space" means space in the Project which, collectively, is designed, constructed, finished and fitted out for use as one or more restaurant, bar or lounge spaces accommodating, in the aggregate, not less than (i)approximately 945 simultaneous table-service, fast casual and 'food hall' dining patrons and approximately 400 simultaneous seated bar and lounge patrons in the case of the Permanent Project, or (ii) approximately 70 simultaneous dining patrons and approximately 50 simultaneous seated bar and lounge patrons in the case of the Temporary Project, in each case, in accordance with First-Class Project Standards and Governmental Requirements; *provided*, that "Restaurant Floor Space" does not include any of the Gaming Area, the Retail Floor Space, the Hotel Rooms, the Hotel Tower, the Event Space, the Exhibition Space or the Visitor Center Space.

"**Restore"** is defined in Section 10.1.

"**Restoration**" is defined in Section 10.1.

"**Restricted Activity"** is defined in Section 4.6(a).

"**Restricted Area**" means the geographic area constituting a circle with a radius of fifty (50) miles having the Permanent Project as its center.

"**Restricted Party**" means each of (i) Developer; (ii) any Casino Manager; (iii) any Person who owns a Direct Or Indirect Interest in any of the foregoing, excluding, however, any Person who qualifies as a Passive Investor; and (iv) a subsidiary of or any Person Controlled by any of the foregoing (other than any such subsidiary or other Person that does not own a Direct Or Indirect Interest in Developer or Casino Manager).

"**Restrictions**" is defined in Section 4.8.

"Retail Floor Space" means approximately 3,000 square feet of interior space in the Permanent Project which is designed, constructed, finished and fitted out for use as one or more retail outlets in accordance with First-Class Project Standards and Governmental Requirements; *provided*, that "Retail Floor Space" does not include any of the Gaming Area, the Restaurant Floor Space, the Hotel Rooms, the Hotel Tower, the Event Space, the Exhibition Space or the Visitor Center.

"**Riverwalk Running Length**" means a corridor containing continuous paved pathways and associated landscaping, hardscaping and lighting running immediately adjacent to the Chicago River along the entire length of the Eastern edge of the Project Site (Permanent) which has been cleared, graded, improved and landscaped in accordance with, and meets or exceeds the minimum width and accessibility requirements set forth in, the City's *Chicago River Design Guidelines* (2019).

"Rooftop Bar" means a portion of the Restaurant Floor Space located on the highest floor of the Hotel Tower having space which is lawfully occupiable for use by the general public together with additional contiguous exterior square footage located on the roof area of the Hotel Tower (which roof area, for the avoidance of doubt, is not includable in the Restaurant Floor Space because it is not interior space) which, collectively, is designed, constructed, finished and fitted out for use as one or more bar or lounge spaces accommodating not less than 100 simultaneous patrons in accordance with First-Class Project Standards and Governmental Requirements.

"**Sports Wagering**" has the meaning given to such term in the Sports Wagering Act.

"**Sports Wagering Act**" is defined in Recital A.

"**State**" is defined in Recital A hereof.

"**Subordination Agreement**" means a Subordination Agreement in substantially the form and on the terms as Exhibit N between the City and any Casino Manager pursuant to which the Casino Manager agrees to subordinate its Management Fee upon an Event of Default.

"**Table Games**" means (i) approximately 150 'table games' (as such term is defined in the Act) intended for use in Gambling Games which are 'house banked' in the case of the Permanent Project and (ii) approximately 25 'table games' (as such term is defined in the Act) intended for use in Gambling Games which are 'house banked' in the case of the Temporary Project.

"**Temporary Project**" means the premises in which Casino Gaming Operations will be conducted by Developer at the Project Site (Temporary) for such period of time as permitted by Section 3.4(c) hereof and all buildings, structures, facilities, Components and Project Infrastructure, all of which are more specifically described on Exhibit B-2 and depicted in the Concept Design Documents.

"**Temporary Project Operation Period**" is defined in Section 3.4(c).

"**Term**" is defined in Section 2.4.

"**Transfer**" means (i) any sale (including agreements to sell on an installment basis), lease, assignment, transfer, pledge, alienation, hypothecation, merger, consolidation, reorganization, liquidation, or any other disposition by operation of law or otherwise, and (ii) the creation or issuance of new or additional ownership interests in any entity.

"**Transfer Restriction Agreements**" means the agreement(s) dated as of the Closing Date between the City and each Restricted Party as requested by the City in substantially the same form as Exhibits E and F.

"Trigger Event" and **"Triggering Events"** are defined in Section 4.3(b).

"Visitor Center Space" means (interior space in the Temporary Project and Permanent Project, in each case, which is designed, constructed, finished and fitted out for use as a visitor information center/concierge to be operated in coordination with the City's official destination marketing organization, Choose Chicago®, or a comparable offering reasonably acceptable to the City, in each case, in accordance with First-Class Project Standards and Governmental Requirements; *provided*, that "Visitor Center Space" does not include any of the Gaming Area, the Retail Floor Space, the Restaurant Floor Space, the Hotel Rooms, the Hotel Tower, the Event Space or the Exhibition Space.

"**Work**" means demolition and site preparation work at the Project Site, and construction of the improvements constituting the Project in accordance with the construction documents for the Project and includes labor, materials and equipment to be furnished by a contractor or subcontractor.

2. General Provisions.

2.1 Findings.

The City hereby finds that the development, construction and operation of the Project will (i) be in the best interest of the City and the State; (ii) contribute to the objectives of providing and preserving gainful employment opportunities for residents of the City; (iii) support and contribute to the economic growth of the City and the State including supporting and utilizing local and small businesses, minority, women and veteran business enterprises; (iv) attract commercial and industrial enterprises, promote the expansion of existing enterprises, combat community blight and deterioration, and improve the quality of life for residents of the City; (v) support and promote tourism in the City and the State; and (vi) provide the City and the State with additional tax revenue.

2.2 Effectiveness and Certification.

Upon the execution of this Agreement by the necessary City officials and Developer and Developer's meeting the (e-5) Requirements, this Agreement shall become effective (the "**Effective Date**"). Provided that the Effective Date and the Closing Date have occurred, the City shall submit the Certification to the Board.

2.3 Closing Conditions.

The City's obligation to submit the Certification as set forth in Section 2.2 shall be subject to the satisfaction of the following conditions precedent, each in form and substance reasonably satisfactory to the City (collectively, the "**Closing Conditions**"):

(a) the City's receipt of the following items (the "**Closing Deliveries**"):

(i) the Transfer Restriction Agreements executed by Parent Company and each other Restricted Party (if any) as requested by the City;

(ii) an opinion of counsel from Developer to the City covering customary organizational, due authority, conflict with other obligations, enforceability and other matters reasonably requested by the City;

(iii) the Closing Certificate;

(iv) the Notice of Agreement;

(v) evidence of payment of Developer's due and unpaid Development Process Cost Fees incurred to date, if any;

(vi) the Releases;

(vii) resolutions of Developer, properly certified, approving this Agreement and authority to execute;

(viii) the Radius Restriction Agreement(s), executed by the Restricted Parties as requested by the City;

(ix) the Guaranty Agreement executed by the Parent Company;

(x) the Bringdown Schedule;

(xi) the Economic Disclosure Statement(s);

(xii) written confirmation that the Labor Peace Agreement relating to personnel that will work on the operation of the Project remains in full force and effect; and

(xiii) evidence reasonably satisfactory to the City of the Developer's ability to finance the Project.

(b) No Default or Event of Default shall have occurred and be continuing hereunder.

(c) The representations and warranties of Developer contained in Section 5.1 are true and correct in all material respects at and as of the Closing Date as though then made, except as set forth on a schedule delivered by Developer to the City on the Closing Date and approved by the City (the "**Bringdown Schedule**").

(d) No Material Adverse Change shall have occurred in the condition (financial or otherwise) or business prospects of Developer or Parent Company.

2.4 Term.

The term of this Agreement shall commence upon the Effective Date and shall continue until the expiration of the Developer's License unless: (i) sooner terminated as provided herein and except as to those provisions that by their terms survive or (ii) extended as provided in the next sentence. The term of this Agreement shall automatically be extended upon any and each renewal of the Developer's License; provided, that at the time of each extension there is no uncured Event of Default with respect to which a Default Notice was received by Developer. The term of this Agreement, including any extensions thereof, shall be referred to as the "**Term**."

3. Project.

3.1 Approvals; Permits and Other Items.

(a) Approvals. Developer shall use its best efforts to promptly apply for, pursue and obtain all Approvals necessary to design, develop, construct and operate the Project. Developer shall promptly furnish the City with all studies, reports or other documents required by the City in connection with any Approvals required by the City. Until all such Approvals are obtained, Developer shall provide the City, from time to time upon its request, but not more often than once each calendar month following the date of this Agreement, with a written update of the status of such Approvals. If any Approvals are denied or unreasonably delayed, Developer shall provide prompt written notice thereof to the City, together with Developer's written explanation as to the circumstances causing such delay or resulting in such denial and Developer's plan to cause such Approvals to be issued promptly. Except for the review and approval of final Concept Design Documents and construction documents pursuant to Sections 3.1(b), (c) and (d), approval of Material Changes pursuant to Section 3.1(e) and the matters governed by Section 3.1(h): (i) this Agreement does not create any new Approvals; (ii) this Agreement does not modify the application, review or approval process for any Approvals or modify or waive any of the terms or conditions of any Approvals, including the Planned Development; and (iii) the City will not create any requirements for any Approvals of special applicability to the Project. For the avoidance of doubt, nothing in this Agreement shall affect or qualify any requirements or process which may apply to any amendments or minor changes necessary in the Planned Development in connection with the development of the Project.

(b) Compliance with RFP Design Program. Developer shall develop and construct the Project in compliance with the Concept Design Documents and the Project Description except to the extent the City approves changes to the same in writing. To determine compliance with the Concept Design Documents and the Project Description Developer shall submit the following to the City:

(i) Temporary Project: (x) no later than thirty (30) days following the date Developer is found to be preliminarily suitable for licensing by the Board pursuant to Title 86, Chapter IV, Part 3000, Section 3000.230 of the Illinois Administrative Code (a "**Finding of Preliminary Suitability**"), final Concept Design Documents for the Temporary Project; (y) no later than forty-five (45) days from delivery of the Concept Design Documents provided in clause (x) above, fifty percent (50%) construction documents

for the Temporary Project; and (z) no later than forty-five (45) days from delivery of the construction documents provided in clause (y) above, ninety-five percent (95%) construction documents for the Temporary Project.

(ii) Permanent Project: (x) no later than one hundred twenty (120) days following the "**Finding of Preliminary Suitability**", final Concept Design Documents for the Permanent Project; (y) no later than one hundred eighty (180) days from delivery of the Concept Design Documents provided in clause (x) above, fifty percent (50%) construction documents for the Permanent Project; and (z) no later than ninety (90) days from delivery of the construction documents provided in clause (y) above, ninety-five percent (95%) construction documents for the Permanent Project.

(c) The City will commence its review promptly upon receipt of the documents under clauses (b) (i) and (ii) above will diligently pursue such review until the City has either approved such documents or notified the Developer in writing of its disapproval and stated with specificity the grounds for such disapproval and any necessary revisions, in each case, necessary for the final Concept Design Documents or construction documents, as applicable, to comply with the requirements of this Agreement. If the City disapproves any such documents in any respect, Developer shall either modify the documents and submit the revised documents to the City for review to determine compliance with this Agreement or request a meeting with the City to discuss the City's objection to such documents and propose an alternative modification (or no modification) necessary for the Projects, as proposed to be constructed pursuant to the final Concept Design Documents or construction documents, as applicable, to comply with the with the requirements of this Agreement. This procedure shall be followed until all objections have been resolved and the documents have been approved. For the avoidance of doubt, the review and approval of final Concept Design Documents and construction documents pursuant to Sections 3.1(b) and (c) hereof is to determine compliance of the Projects, as proposed to be constructed pursuant to the final Concept Design Documents or construction documents, as applicable, to comply with the requirements of this Agreement, does not grant any Approvals and does not substitute for or qualify or condition the process to obtain any Approvals.

(d) Hotel Extension Documentation. Developer shall deliver the City: (i) fifty percent (50%) construction documents for the build-out of the Hotel Extension Rooms no later than (A) one hundred twenty (120) days after the last day of the calendar month when, on a trailing 12 month basis, Developer achieves $170 million of EBITDAM and (B) the date which is four years and six months after the Operations Commencement (Permanent Project); and (ii) ninety-five percent (95%) construction documents for the Hotel Extension Rooms no later than sixty (60) days from delivery of the construction documents provided in clause (i) above.

(e) Material Changes. Following approval of the amended Planned Development which authorizes the Permanent Project, any Material Change shall require the approval of the City.

(f) Sports Wagering. It is acknowledged that the City has authorized Sports Wagering to be conducted at the Casino and that Developer shall apply to the Board for issuance of a master sports wagering license under the Sports Wagering Act to authorize the conduct of Sports

Wagering at the Casino and over the internet or through a mobile application as permitted by the Sports Wagering Act. If Developer obtains such license, Developer shall operate all Sports Wagering in accordance with the Sports Wagering Act.

(g) Gaming Positions. In accordance with 230 ILCS 10/7, Developer shall reserve and pay for the maximum number of Gaming Positions which are available for the owners licensee of a casino located in the City licensed under 230 ILCS 10/7(e-5)(1).

(h) Signage. With regard to the Temporary Project authorized by this Agreement and located in Planned Development 768, on-premise signs and associated sign structures shall be exclusively subject to the following requirements and restrictions, which are in lieu of any provision, process, or requirement of the Municipal Code of Chicago. Any such on-premise sign(s):

(i) Shall be limited to: (A) signs that are attached to attachment points approved for use by the previous tenant; (B) one sign associated with each exterior entrance; (C) one sign associated with the roll-up door on Ontario Street; and (D) signs placed behind non-decorative glazing.

(ii) Shall be subject to review and approval by the Building Commissioner or the Commissioner's designee as to conformity with the structural and electrical provisions of the Chicago Construction Codes through the permit process and collection of otherwise-applicable permit fees.

(iii) Shall be subject to review and approval by the Commissioner of Planning and Development or the Commissioner's designee for: (A) conformity with the character of the underlying structure; (B) sensitivity to the surrounding area; (C) size, shape, type, illumination, placement, orientation, and method of attachment; and (D) in lieu of a public way use permit, appropriateness and degree of the presence, if any, in or over the public way.

(iv) Shall be subject to review and approval by the Zoning Administrator or the Zoning Administrator's designee for all aspects bearing on conformity with the Planned Development.

(v) Shall be subject to review and approval by the Commission on Chicago Landmarks to ensure that the attachment of any sign to the Landmark does not cause irreversible damage to any significant feature of the Landmark.

(vi) Shall not include video display signs or dynamic image display signs, as defined in Section 17-17-0248.5 of the Zoning Ordinance, but may otherwise be illuminated.

Off-premise signs (as defined in Section 17-17-02108 of the Zoning Ordinance) are prohibited at the Temporary Project.

(i) Removal of Signs. The Developer shall remove all signs and sign structures erected or installed pursuant to Section 3.1(h) within thirty (30) days of Operations Commencement (Permanent Project). Removal shall include restoration to the pre-installation condition to the satisfaction of the Department of Planning and Development.

3.2 Performance of Work.

Developer shall ensure that all Work is performed in a good and workmanlike manner and in accordance with all Governmental Requirements and First-Class Project Standards. Without limiting the generality of the foregoing sentence, Developer shall ensure that all materials used in the construction of the Project shall be of first-class quality, and the quality of the Finish Work shall meet or exceed First-Class Project Standards.

3.3 Duty to Complete; Commencement of Operations.

(a) Developer shall Complete the Temporary Project not later than the Construction Completion Date (Temporary Project), achieve Operations Commencement (Temporary Project) not later than the Operations Commencement Date and achieve Final Completion (Temporary Project) not later than the Final Completion Date. Upon the occurrence of an event of Force Majeure, the Construction Completion Date (Temporary Project), Final Completion Date, and the Operations Commencement Date, shall each be extended by a number of days equal to the number of days in the Force Majeure Period resulting from such event of Force Majeure; provided, that each day when performance is delayed shall be counted only once notwithstanding that multiple events of Force Majeure may occur and, as yet, remain uncured on such day.

(b) Developer shall Complete the Permanent Project not later than the Construction Completion Date (Permanent Project), achieve Operations Commencement (Permanent Project) not later than the Operations Commencement Date and achieve Final Completion (Permanent Project) not later than the Final Completion Date; *provided*, that Developer shall not be required to cause the Operations Commencement (Permanent Project) to occur before the date which is one (1) day after the third anniversary of Operations Commencement (Temporary Project). Upon the occurrence of an event of Force Majeure, the Construction Completion Date (Permanent Project), Final Completion Date, and the Operations Commencement Date, shall each be extended by a number of days equal to the number of days in the Force Majeure Period resulting from such event of Force Majeure; provided, that in no event shall the Operations Commencement Date for the Permanent Project extend beyond the Temporary Project Operation Period unless approved by the Board and the City.

(c) To assure completion of the Project, prior to Developer's commencement of construction of the Project, Developer shall provide the City with an executed (i) copy of a completion or performance bond or other form of financial guaranty from the general contractor engaged by Developer to construct the Project in such amount and form customary for projects similar to the Project and (ii) construction management plan, each of which is reasonably acceptable to the City. Developer's construction management plan shall address site issues, including, but not limited to, sequencing of construction events, construction milestones, light, noise, dust and traffic mitigation measures, rodent and waste controls, contact information for the Project's general contractor's site manager, and shall include all other items required by

Governmental Authorities relating to all applicable Governmental Requirements and specify all Approvals necessary in connection with the construction of the Project.

(d) Developer shall commence the build-out of the Hotel Extension Rooms within the Hotel Extension Infrastructure not later than the first to occur of (i) the date which is twelve (12) months after the last day of the calendar month when, on a trailing 12-month basis, Developer achieves $170 million of EBITDAM and (ii) the fifth (5th) anniversary of Operations Commencement (Permanent Project). Developer shall thereafter diligently prosecute the build-out, finishing and furnishing of the Hotel Extension Rooms until the Hotel Extension Rooms are complete, the City has issued a temporary occupancy permit for the Hotel Extension Rooms, and the Hotel Extension Rooms are available to rent to the general public, which shall be not later than the first to occur of (i) the date which is eighteen (18) months after the last day of the calendar month when, on a trailing 12 months, Developer achieves $170 million of EBITDAM and (ii) the date which is five years and six months after Operations Commencement (Permanent Project).

(e) To the extent that Developer has received all Approvals necessary to commence the Work, Developer, its agents and its contractors will promptly and diligently (i) perform the Work and (ii) complete all the Components, in each case, until the respective Project has been fully completed in accordance with the design which is finally determined in accordance with Sections 3.1(b), (c) and (d) (but subject to any modifications of such final design with the City's consent in accordance with Section 3.1(e)).

3.4 Project Operations (Temporary Project).

(a) Developer agrees to diligently operate and maintain the Temporary Project and all other support facilities for such Project owned or controlled by Developer in accordance with all Governmental Requirements and First-Class Project Standards and in compliance with this Agreement.

(b) Developer covenants that, at all times following Operations Commencement (Temporary Project), it will, directly or indirectly: (i) continuously operate and keep open for business to the general public the Casino for Casino Gaming Operations for the maximum hours permitted under Governmental Requirements, other than closures of up to four (4) hours per day, during extremely low volume periods of time, for operational efficiency; (ii) continuously operate and keep open for business to the general public for the maximum hours permitted under Governmental Requirements, the Components related to the hotel and parking; and (iii) operate and keep open for business to the general public all Components (other than the hotel Component and parking Component and Components where Casino Gaming Operations are conducted) in accordance with commercially reasonable hours of operation. Notwithstanding the foregoing, Developer shall have the right from time to time in the ordinary course of business and without advance notice to City, to close portions of any Component (x) for such reasonable periods of time as may be required for repairs, alterations, maintenance, remodeling, or for any reconstruction required because of casualty, Condemnation, or Force Majeure, (y) to respond to then existing market conditions but only for so long as reasonable commercial practices would so require, or (z) for such periods of time as may be directed by a Governmental Authority; provided, however, no such direction shall relieve Developer of any liability as a result of such closure to the extent caused by an act or omission of Developer as provided for otherwise in this Agreement.

(c) So long as Developer is diligently pursuing Approvals for, and construction of, the Permanent Project, Developer may conduct Casino Gaming Operations at the Temporary Project for a period of up to twenty-four (24) months after Operations Commencement (Temporary Project) (such 24-month period, the "**Initial Temporary Project Operation Period**"). In the event that Developer petitions the Board to extend the Initial Temporary Project Operation Period for a period of up to twelve (12) additional months pursuant to Section 7(l) of the Act, the City shall support Developer's petition to the extent reasonably requested by Developer. If the Board grants Developer's petition pursuant to Section 7(l) of the Act, then Developer shall be permitted to conduct Casino Gaming Operations at the Temporary Project for such extended period (the Initial Temporary Project Operation Period, as may be extended as provided herein, the "**Temporary Project Operation Period**"). Acknowledging that Section 7(l) of the Act controls, Developer agrees that Developer shall not be permitted to conduct Casino Gaming Operations at the Temporary Project for a period of greater than thirty-six (36) months after the Operations Commencement (Temporary Project) unless otherwise approved by the City and the Board.

3.5 Project Operations (Permanent Project).

(a) Beginning on the Operations Commencement (Permanent Project) and continuing during the Term, Developer agrees to diligently operate and maintain the Permanent Project and all other support facilities for such Project owned or controlled by Developer in accordance with all Governmental Requirements and First-Class Project Standards and in compliance with this Agreement.

(b) Developer covenants that, at all times following Operations Commencement (Permanent Project), it will, directly or indirectly: (i) continuously operate and keep open the Casino for Casino Gaming Operations for the maximum hours permitted under Governmental Requirements, other than closures of up to four (4) hours per day, during extremely low volume periods of time, for operational efficiency; (ii) continuously operate and keep open for business to the general public for the maximum hours permitted under Governmental Requirements, the hotel Component and the parking Component; and (iii) operate and keep open for business to the general public all Components (other than the hotel Component, parking Component and Components where Casino Gaming Operations are conducted) in accordance with commercially reasonable hours of operation. Notwithstanding the foregoing, Developer shall have the right from time to time in the ordinary course of business and without advance notice to City, to close portions of any Component (x) for such reasonable periods of time as may be required for repairs, alterations, maintenance, remodeling, or for any reconstruction required because of casualty, condemnation, or Force Majeure, (y) to respond to then existing market conditions but only for so long as reasonable commercial practices would so require, or (z) for such periods of time as may be directed by a Governmental Authority; provided, however, no such direction shall relieve Developer of any liability as a result of such closure to the extent caused by an act or omission of Developer as provided for otherwise in this Agreement.

(c) Developer covenants that the Project will be designed, finished and operated under the 'BALLY'S' brand and trademark(s) with a design and marketing theme of 'The Best of Chicago'.

4. Other Obligations.

4.1 Project Incentives.

(a) Developer recognizes and acknowledges that the construction and operation of the Project will have direct and indirect negative impacts on the City which will require the City and other local governmental units to provide continuing mitigation, and as an added inducement to the City to provide the Certification, and to demonstrate Developer's commitment to give back to the community, foster community development and investment and garner public support, Developer agrees to provide the Project Incentives.

(b) If any of the following shall occur and have an adverse impact on the Casino, the obligation of Developer to pay the Direct Impact Fee and Indirect Impact Fee (each, as defined in Exhibit A-1) shall be subject to good-faith renegotiation, in light of the economic impacts on the City and the Casino and all the other facts and circumstances then prevailing:

(i) a new casino becomes open to the public within the City;

(ii) there is an increase in the gaming privilege tax imposed upon the 'adjusted gross receipts' (as such term is defined in the Act) of the Casino; or

(iii) (A) there is authorized by the State or the City a mode of lawful gaming to occur in the City other than Gambling Games under the Act, Sports Wagering under the Sports Wagering Act and pari-mutuel wagering under the Illinois Horse Racing Act of 1975; (B) one or more Persons, excluding Developer, any Casino Manager and their Affiliates, receives a license from the State regulator having jurisdiction over such mode of gaming which permits such Person or Persons to lawfully conduct such gaming within the territorial limits of the City; and (C) such licensed Persons commence to operate such new mode of gaming within the territorial limits of the City on more than a *de minimis* or 'beta test' basis.

4.2 Minimum Capital Investment.

Developer shall make a Minimum Capital Investment of $1,340,000,000 in furtherance of its obligations pursuant to Section 3.3 hereof.

4.3 Payment of Taxes and Fees.

Developer agrees that the minimum EAV for the Project Site (Permanent) and all improvements thereon shall be $125,000,000. Developer shall pay all real estate taxes on the Project Site (Permanent), all improvements thereon and all personal property taxes on all Project personal property in accordance with Governmental Requirements. Developer shall not contest or file a property tax protest of the EAV of the Project Site (Permanent) and all improvements thereon unless the EAV exceeds $125,000,000 and, in such case, shall not contest or file a property tax protest of the EAV claiming an EAV or seeking an adjustment in EAV of the Project Site (Permanent) to an EAV less than $125,000,000.

As approved in the original Planned Development #1426, Developer shall pay an Industrial Corridor Conversion Fee, at the time of submission of the first building permit within the boundary of Planned Development #1426, Neighborhood Opportunity Fund (NOF) Bonus Fee, at such time as Developer submits a building permit which exceeds the allowable floor area ratio in the underlying zoning district, General Permit Reviews (both permit and part II fees), as required upon the submission of applications for individual building permits, ARO Obligation (units and/or potential to generate fees), as required upon the submission of applications for building permits containing residential units, all as customary for other large scale developments of this type. Developer will pay other ancillary miscellaneous inspection and permit fees which may also be required.

4.4 Additional Commitments.

(a) As described on Exhibit A-2, Developer agrees to: (i) meet or exceed its goals for contracting with City-based businesses for the design and construction of the Project and the provision of goods and services to the Project both during construction and operation of the Project; (ii) meet or exceed the hiring of the minimum number of employees, both full-time and part-time, during construction of the Project and when the Project is fully operational; (iii) meet or exceed the goals for work hours for construction work by City residents and residents of the area surrounding the Project; (iv) meet or exceed its goals for hiring specific percentages of City residents, women, minorities, veterans and persons with a disability during operation of the Project; (v) satisfy the requirements for business utilization and building wealth and increasing employment in disadvantaged communities, prioritize hiring of City residents, and achieve a diverse workforce; and (vi) satisfy the requirements for sourcing goods and services.

(b) As described on Exhibit A-3, Developer agrees to: (i) establish, fund and maintain human resource hiring and training practices; and (ii) comply with Developer's workforce development plan.

(c) As described on Exhibit A-4, Developer agrees to implement the marketing and operating plan, including Developer's plan for: (i) treatment of compulsive behavior disorders; (ii) ensuring that minors will be prohibited from gambling at the Casino; (iii) providing security inside and surrounding the Project; (iv) attracting new businesses, tourists and visitors to the area around the Project Site; (v) use of its customer databases to support the Project; and (vi) implementing the theme and targeting market segments for the Permanent Project.

(d) Developer agrees that the Permanent Project will comply with the City's Sustainable Development Policy with a point score under that policy of at least 125 points, including with the enhanced bird protection provisions of Sec. 9.2 thereof, as well as the City's North Branch Framework Plan and the Chicago River Design Guidelines. In addition the Permanent Project will be designed to meet LEED Gold standards.

(e) Parent Company, on behalf of Developer, has entered into an agreement with organized labor, including hospitality services (the "**Labor Peace Agreement**"), and shall use commercially reasonable efforts to assure labor harmony during construction and operation of the Project.

(f) As described on Exhibit A-6, Developer agrees to comply with its plan for relocating or compensating any existing businesses, tenants or services displaced on account of the Project.

(g) As described on Exhibit A-7, Developer agrees to comply with its plan for (i) transportation demand and supply management for the Project; (ii) traffic control measures for the Project; (iii) pedestrian and bicycle ingress/egress within and surrounding the Project; (iv) leveraging/upgrading use of existing, in-place City infrastructure to serve and harmonize with the Project; (v) accommodating special events and grand opening traffic and parking for the Project; (vi) emergency access for police, fire and ambulatory ingress and egress and its emergency operations plan for the Project; (vii) addressing any additional burdens placed on existing City infrastructure; and (viii) multi-modal traffic circulation infrastructure showing ingress and egress to the Project.

(h) Developer will adhere to the highest level of ethical and responsible gaming practices, consistent with requirements of the Act, the Sports Wagering Act, rules and regulations of the Board, including but not limited to, the following:

(i) use certified trainers to train all of its employees on responsible gaming including tiered training in accordance with the employee's exposure to gaming in their job duties;

(ii) post signage in English and Spanish with the toll-free Problem Gamblers Help Line number and a local help line number in employer and customer-facing areas in the Project;

(iii) adhere to the Board's voluntary self-limit or exclusion laws, regulations and policies;

(iv) provide an on-site location for guests to privately receive information on problem gambling, together with information of available resources for treatment, counseling and prevention for compulsive gaming behaviors;

(v) have its employees participate annually in "Responsible Gaming Education Week" sponsored annually by the American Gaming Association or any successor or equivalent program; and

(vi) collaborate with local agencies that provide gambling addiction services with respect to strategies for addressing problem gambling.

(i) Developer will train its employees at least annually to request and verify the identification of any patron that appears to be underage in accordance with industry standards or otherwise provided in the Act and Sports Wagering Act and the rules and regulations of the Board promulgated thereunder.

(j) Developer agrees to pay when due in the ordinary course of Approvals the City's customary permit and license fees applicable to the Project.

(k) In the design, construction and operation of the Project, Developer shall comply with all Governmental Requirements including the Americans with Disabilities Act. Developer shall provide within the Project gaming tables and electronic gaming machines accessible to persons with disabilities.

(l) Developer agrees to comply with the City's "Other Agreements" set forth in Exhibit A-8.

(m) As described on Exhibit A-9, Developer agrees to implement the minority and women ownership provisions which Developer shall incorporate into the operating agreement of Developer.

4.5 Payment of Development Process Cost Fees.

(a) Developer shall pay the due and unpaid Development Process Cost Fees on or before the fifth (5th) Business Day following the execution of this Agreement by Developer and the City, and thereafter, in accordance with the procedures set forth in Section 4.5(b). Any such Development Process Cost Fees due the City's consultants shall be paid by Developer directly to such consultants; provided, that, prior to the payment of any Development Process Cost Fees by Developer, the City shall apply the sum of all application fees paid to the City by other applicants for the License to the Development Process Cost Fees (the "**Other Party Application Fees**"). Developer shall reimburse the City for all Development Process Cost Fees paid by the City prior to the execution of this Agreement.

(b) The City and the City's Consultants, as the case may be, shall invoice Developer from time to time, but no more frequently than monthly for the Development Process Cost Fees incurred by the City and due such party since the prior monthly invoice. Developer shall pay such invoiced Development Process Cost Fees within thirty (30) days from the date of the invoice, directly to the party submitting the invoice in accordance with the instructions provided in the invoice. The City's Consultants shall be intended third-party beneficiaries of Developer's obligation to pay Development Process Cost Fees. The invoices provided by the City and the City's Consultants, as the case may be, shall include a summary of the charges and such detail as party submitting the invoice reasonably believes is necessary to inform Developer of the nature of the costs and expenses, subject to privilege and confidentiality restrictions. At Developer's request, the City shall, or shall cause the City's Consultant submitting the invoice to consult with Developer on the necessity for such charges during the ten (10) Business Day period immediately subsequent to Developer's receipt of such summary. Developer's obligation to pay Development Process Cost Fees incurred by the City prior to any termination of the Agreement shall survive termination of the Agreement.

(c) Notwithstanding anything to the contrary in this Section 4.5, (i) in no event shall the Developer's aggregate liability for Development Process Cost Fees incurred by the City through the date of execution of this Agreement by Developer and the City exceed five million seven hundred thousand dollars ($5,700,000); and (ii) the Development Process Cost Fees shall not exceed $100,000 per year after the issuance of the License.

4.6 Radius Restriction.

(a) No Restricted Party shall directly or indirectly (including through a subsidiary or Person Controlled by it): (i) manage, operate or become financially interested in any casino, whether land based or riverboat, or in any other establishment at which Gambling Games or historical horse racing are authorized (a "**Restricted Activity**") within the Restricted Area other than the Project; (ii) make application for any franchise, permit or license to manage or operate any Restricted Activity within the Restricted Area other than the Project; or (iii) respond positively to any request for proposal to develop, manage, operate or become financially interested in any Restricted Activity within the Restricted Area other than the Project (all of the previous clauses (i), (ii) and (iii) comprising the "**Radius Restriction**"). Developer shall cause each Restricted Party as requested by the City, to execute and deliver to the City as part of the Closing Deliveries, an agreement to abide by the Radius Restriction.

(b) If any Restricted Party acquires or is acquired by a Person such that, but for the provisions of this Section 4.6, such Restricted Party or the acquiring Person would be in violation of the Radius Restriction as of the date of acquisition, then such party shall have two (2) years in which to comply with the Radius Restriction, unless such time period is extended or waived by the City.

(c) It is the desire of the Parties that the provisions of this Section 4.6 be enforced to the fullest extent permissible under the laws and public policies in each jurisdiction in which enforcement might be sought. Accordingly, if any particular portion of this Section 4.6 shall ever be adjudicated as invalid or unenforceable, or if the application thereof to any party or circumstance shall be adjudicated to be prohibited by or invalidated by such laws or public policies, such section or sections shall be modified as determined appropriate by such a court to the minimum extent necessary so as to render such portion to be valid and enforceable with such modifications to apply only with respect to the operation of such section or sections in the particular jurisdictions so adjudicating on the parties and under the circumstances as to which so adjudicated

(d) The provisions of this this Section 4.6 and the related Radius Restriction Agreements shall lapse and be of no further force or effect ten (10) years after the Operations Commencement Date for the Permanent Project.

4.7 Statutory Basis for Fees; Default Rate.

(a) Developer recognizes and acknowledges that the payments to be made by Developer to the City under this Agreement, the Project Incentives, and the Development Process Cost Fees (collectively, the "**Developer's Payments**") are being paid by Developer, in part: (i) in exchange for particular governmental authorizations and services which benefit Developer in a manner not shared by other members of society; (ii) by choice in that Developer has voluntarily requested that the City serve as its host community and would not be obligated to pay such amounts but for such request; and (iii) to compensate the City and other governmental units for providing Developer with the services required to allow Developer to construct and operate the Project and to mitigate the impact of Developer's activities on the City and its residents.

(b) All amounts payable by Developer hereunder, including Developer's Payments, shall bear interest at the Default Rate from the due date or, if no due date is specified, then from the date which is fifteen (15) Business Days from the date of notice to Developer until paid; *provided*, that no interest shall accrue or be payable on Developer's Payment if such amounts are paid late by not more than (15) Business Days on not more than two (2) occasions in any twelve (12) month period.

4.8 Notice of Agreement.

(a) The Parties agree that the Notice of Agreement shall not in any circumstance be deemed to modify or to change any of the provisions of this Agreement.

(b) The restrictions imposed by and under Sections 4.9(b) (Financing), 6.3(b) (Transfers) and 8.1 (Transfer of Ownership Interests) (collectively, the "**Restrictions**") will be construed and interpreted by the Parties as covenants running with the land. Developer agrees for itself, its successors and assigns to be bound by each of the Restrictions. The City shall have the right to enforce such Restrictions against Developer, its successors and assigns to or of the Project or any part thereof or any interest therein.

4.9 Financing.

(a) Developer agrees to notify the City in writing of any Financing reasonably contemporaneously with any notice thereof to the Board.

(b) If any interest of Developer is Transferred by reason of any foreclosure, trustee's deed or any other proceeding for enforcement of the Mortgage, then the Mortgagee (or any Nominee of the Mortgagee) shall immediately upon such Transfer assume the obligations of the Developer hereunder except as otherwise provided in Section 4.9(f). As used in this Agreement, the term "**Nominee**" shall mean a Person who is designated by Mortgagee to act in place of the Mortgagee solely for the purpose of holding title to the Project and performing the obligations of Developer hereunder.

(c) In no event may Developer or any Finance Affiliate represent that the City is or in any way may be liable for the obligations of Developer or any Finance Affiliate in connection with: (i) any financing agreement or (ii) any public or private offering of securities. If Developer or any Finance Affiliate shall at any time sell or offer to sell any securities issued by Developer or any Finance Affiliate through the medium of any prospectus, offering memorandum or otherwise that relates to the Project or its operation, Developer shall: (i) first submit such offering materials to the City for review with respect to Developer's compliance with this Section 4.9; and (ii) do so only in compliance with all applicable federal and state securities laws, and shall clearly disclose to all purchasers and offerees that (y) the City shall not in any way be deemed to be an issuer or underwriter of such securities, and (z) the City and its officers, agents, and employees have not assumed and shall not have any liability arising out of or related to the sale or offer of such securities, including any liability or responsibility for any financial statements, projections, forward-looking statements or other information contained in any prospectus or similar written or oral communication. Developer agrees to indemnify, defend and hold the City and its respective

officers, agents and employees free and harmless from, any and all liabilities, costs, damages, claims or expenses arising out of or related to the breach of its obligations under this Section 4.9(c).

(d) Neither entering into this Agreement nor any breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Project or the Project Site made in good faith and for value.

(e) Provided Developer has given the City written notice of the existence of any Mortgage, together with Mortgagee's address and a contact party, simultaneously with the giving to Developer of any Default Notice, the City shall give a duplicate copy thereof to any Mortgagee by registered mail, return receipt requested, and no such notice to Developer shall be effective unless a copy of the same has been so sent to Mortgagee. Any Mortgagee shall have the right to cure any Default within the same period by which Developer is required to effectuate any such cure plus (a) an additional thirty (30) days for any monetary Default and (b) an additional ninety (90) days for any non-monetary Default; provided that any such ninety (90) day period shall be extended to the extent that the Default is of the nature that it cannot reasonably be expected to be cured within such ninety (90) day period and Mortgagee is diligently prosecuting such cure to completion or otherwise has commenced action to enforce its rights and remedies under any Mortgage to recover possession of the Project. In all cases, the City agrees to accept any performance by Mortgagee of any obligations hereunder as if the same had been performed by Developer, and shall not terminate the Agreement until the requisite time periods for cure by Mortgagee have been exhausted pursuant to the terms hereof. It is understood that no cure or attempt to cure by Developer, Mortgagee or any other Person of any Default shall limit the right of the City to recover damages from Developer or otherwise exercise remedies with respect to any Default during any period in which such Default remained uncured.

(f) In the event of a non-monetary Default which cannot be cured without obtaining possession of the Project or that is otherwise personal to Developer and not susceptible of being cured by Mortgagee, the City will not terminate this Agreement without first giving Mortgagee reasonable time within which to obtain possession of the Project, including possession by a receiver, or to institute and complete foreclosure proceedings. Upon acquisition of Developer's interest in the Project and performance by Mortgagee of all covenants and agreements of Developer, except those which by their nature cannot be performed or cured by any person other than the Developer, the City's right to terminate this Agreement shall be waived with respect to the matters which have been cured by Mortgagee or which are not susceptible of being cured.

4.10 Closing Deliveries.

Developer will deliver or cause to be delivered all of the Closing Deliveries no later than ten (10) Business Days following Effective Date. Unless the time for delivery of any Closing Deliveries is extended, or the satisfaction of any Closing Delivery or any other Closing Condition is waived by the City, the date that all Closing Deliveries have been made and all other Closing Conditions shall have been met is the "**Closing Date**".

4.11 Infrastructure Improvements.

The City shall not be responsible for payment of any land entitlement, design, development and construction costs of any Project Infrastructure.

5. Representations and Warranties.

5.1 Representations and Warranties of Developer.

As a material inducement to the City to enter into this Agreement, Developer represents and warrants to the City that each of the following statements is true, accurate and complete as of the date of this Agreement and the Closing Date, except as set forth in the Bringdown Schedule:

(a) Developer is duly organized, validly existing and in good standing under the Governmental Requirements of Delaware and is registered to do business in the State. Developer has all requisite organizational power and authority to own and operate its properties, carry on its business and enter into and perform its obligations under this Agreement and all other agreements and undertakings to be entered into by Developer in connection herewith.

(b) Each financial statement, document, report, certificate, written statement and description delivered by or on behalf of Developer whether pursuant to the Request for Proposal or hereunder has, and will be, when delivered, complete and correct in all material respects.

(c) Developer is not a party to any agreement, document or instrument that has or will have a Material Adverse Effect on the ability of Developer to carry out its obligations under this Agreement.

(d) Developer currently is in compliance with all Governmental Requirements, its organizational documents and all agreements to which it is a party which relate to the Project or otherwise, to the extent that any noncompliance would have a Material Adverse Effect. Neither execution of this Agreement nor discharge by Developer of any of its obligations hereunder shall cause Developer to be in violation of any Governmental Requirement, its organizational documents or any agreement to which it is a party.

(e) This Agreement, Developer's Transfer Restriction Agreement, Radius Restriction Agreement, and Release when duly executed and delivered by Developer will constitute legal, valid and binding obligations of Developer, enforceable in accordance with their respective terms subject to applicable bankruptcy, reorganization, moratorium or similar laws of general applicability affecting the enforcement of creditors' rights and subject to general equitable principles which may limit the right to obtain equitable remedies.

(f) Developer has taken all requisite action and obtained all requisite consents, releases and permissions in connection with entering into this Agreement and the instruments and documents referenced in this Agreement or required under any covenant, agreement, encumbrance, law or regulation with respect to the obligations required under this Agreement, and no consent of any other party is required for the performance by Developer of its obligations under this Agreement.

(g) Developer has control over, and enforceable rights to obtain good, marketable and insurable title to, all parcels constituting the Project Site, subject to no liens, easements, restrictions or other encumbrances other than the matters identified on Exhibit M (the "**Permitted Exceptions**"). Developer has no knowledge of any facts or any past, present or threatened occurrence that could preclude or impair in any material respect its ability to obtain good, marketable and insurable title to any parcel constituting part of the Project Site which it does not own as of the date of this Agreement.

(h) Developer has received no notice of and has no knowledge of any action, litigation, investigation or proceeding of any kind pending or threatened against Developer or any party controlling or controlled by Developer or any portion of the Project Site that could prevent Developer in any material respect from performing its obligations in accordance with the terms of this Agreement, and Developer knows of no facts which could give rise to any such action, litigation, investigation or proceeding.

(i) Attached hereto as Exhibit O is a true, accurate and complete organizational chart of Developer showing each equity owner of Developer, as applicable, and the respective percentage ownership in Developer, as applicable, that exceeds five percent (5%).

(j) All information set forth in Developer's Response or the Bringdown Schedule was true, accurate and complete in all material respects.

(k) Developer has not engaged any Casino Manager or entered into any Casino Management Agreement to pay any Management Fee.

5.2 Representations and Warranties of the City.

The City represents and warrants to Developer that each of the following statements is true, accurate and complete as of the Closing Date:

(a) All of the (e-5) Requirements have been met.

(b) Upon the receipt of Approvals as provided in this Agreement, including any necessary amendment or minor change in the Planned Development, relating to the Project, the conduct of Gaming at the Project Site will be permitted under the City's ordinances.

(c) The City is a validly existing municipal corporation and has all requisite power and authority to enter into and perform its obligations under this Agreement.

(d) This Agreement is binding on the City and is enforceable against the City in accordance with its terms, subject to applicable bankruptcy, reorganization, moratorium or similar laws of general applicability affecting the enforcement of creditors' rights and subject to general equitable principles which may limit the right to obtain equitable remedies.

(e) The City has taken all requisite action and obtained all requisite consents, releases and permissions in connection with entering into this Agreement and the instruments and documents referenced in this Agreement or required under any covenant, agreement, encumbrance, law or regulation with respect to the obligations required under this Agreement, and

no consent of any other party is required for the performance by the City of its obligations under this Agreement.

6. Covenants.

6.1 Affirmative Covenants of Developer.

Developer covenants that throughout the Term, Developer shall:

(a) Do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence.

(b) Do or cause to be done all things necessary to preserve, renew and keep in full force and effect the rights, licenses, registrations, permits, certifications, Approvals, consents, franchises, patents, copyrights, trade secrets, trademarks and trade names that are used in the conduct of its businesses and other activities, and comply with all Governmental Requirements applicable to the operation of its business and other activities, in all material respects, whether now in effect or hereafter enacted.

(c) Furnish to the City:

(i) no later than ninety (90) days after the end of each calendar year commencing with the calendar year in which the Operations Commencement (Temporary Project) occurs, balance sheets, and statements of operations, owners' equity and cash flows of Developer showing the financial condition and operations of the Developer as of the close of such year and the results of operations during such year, all of the foregoing consolidated financial statements to be audited by a firm of independent certified public accountants of recognized national standing acceptable to the City and accompanied by an opinion of such accountants without material exceptions or qualifications;

(ii) no later than forty-five (45) days after the end of each fiscal quarter of Developer commencing with the fiscal quarter in which the Operations Commencement (Temporary Project) occurs, financial statements (including balance sheets and statements of cash flow and operations) showing the financial condition and results of operations of Developer as of the end of each such fiscal quarter and for the then elapsed portion of the current fiscal year, accompanied by a certificate of an officer of Developer that such financial statements have been prepared in accordance with GAAP, consistently applied, to the extent applicable;

(iii) promptly upon the receipt thereof, but subject to the distribution limitations and restrictions contained therein, copies of all reports, if any, submitted to Developer by independent certified public accountants in connection with each annual, interim or special audit or review of the financial statements of Developer made by such accountants, including any comment letter

(again, subject to the distribution limitations and restrictions contained therein) submitted by such accountants to management in connection with any annual review;

(iv) within five (5) Business Days after submission to the Board, accurate and complete copies of all reports submitted to the Board; and

(v) from time to time, such other information regarding the compliance by Developer with the terms of this Agreement or the Project as the City may reasonably request in writing.

(d) No later than ninety (90) days after the end of each fiscal year of Developer commencing with the fiscal year in which the Closing Date occurs, Developer shall deliver to the City:

(i) a detailed report on Developer's obligations to comply with its Additional Commitments in such form as may reasonably be requested by the City from time to time;

(ii) a written description of any administrative determination, binding arbitration decision, or judgment rendered by a court of competent jurisdiction finding a willful and material violation by Developer of any federal, state or local laws governing employment and labor, including those related to wages, hours, collective bargaining, labor relations, immigration, classification of workers and employees, workers safety and equal employment opportunity during such fiscal year; and

(iii) a statement as to whether Developer is aware of any non-compliance with the radius restrictions set forth in Section 4.4 or the restrictions on Transfer set forth in Section 8.1.

(e) Deliver to the City prompt written notice of the following (but in no event later than twenty (20) calendar days following the actual knowledge thereof by Developer):

(i) the issuance by any Governmental Authority of any injunction, order, decision, notice of any violation or deficiency, asserting a violation of Governmental Requirements applicable to Developer or the Project or seeking to affect Developer's ability to operate the Project or comply with the terms of this Agreement, in each case together with copies of all relevant documentation with respect thereto;.

(ii) the notice, filing or commencement of or any threatened notice, filing or commencement of, any action, suit or proceeding by or against Developer whether at law or in equity or by or before any court or any Governmental Authority and that (A) if adversely determined against Developer could result in injunctive relief or could result in uninsured net liability in excess of Five Million Dollars ($5,000,000) in the aggregate (in either case,

together with copies of the pleadings pertaining thereto) or (B) seeks to (x) enjoin or otherwise prevent the consummation of the transactions contemplated by this Agreement or the City's ability to recover any damages or obtain relief under this Agreement or the issuance of any license (including the License) to Developer by the Board or (y) affect Developer's ability to operate the Project or comply with the terms of this Agreement;

(iii) to the knowledge of Developer, any Default, specifying the nature and extent thereof and the action (if any) that is proposed to be taken with respect thereto;

(iv) any Transfer not permitted under Section 8.1 specifying the nature thereof and the action (if any) that is proposed to be taken with respect thereto;

(v) to the knowledge of Developer, any development in the business or affairs of Developer or the Casino Manager that could reasonably be expected to have or result in a Material Adverse Effect; and

(vi) receipt by Developer of any written notice of default from any lender or other financing source to Developer.

(f) Maintain financial records in accordance with GAAP and permit an authorized representative designated by the City, upon reasonable advance written notice and at a reasonable time during normal business hours but not more frequently than once in any 12-month period, except after the occurrence and during the continuation of any Event of Default (when such limitation shall not apply), to visit and inspect Developer's properties and financial records and to make extracts from such financial records, all at Developer's reasonable expense, and permit any authorized representative designated by the City to discuss the affairs, finances and conditions of Developer with any executive officer or other manager or officer of Developer or Casino Manager as such representative shall reasonably deem appropriate, and Developer's independent public accountants.

(g) If a Casino Manager is engaged, enter into and maintain a marketing or similar agreement with the Casino Manager and approved by the City for purposes of branding, sharing of customer information, joint marketing and customer loyalty programs and other matters customary in agreements of this type.

(h) Not amend or modify any organizational document that directly or indirectly would have the effect of adversely affecting the rights, ownership or distributions of any minority or women owners.

(i) In the event Developer has not engaged, hired or retained a Casino Manager by the Closing Date, prior to the effective date of any Casino Management Agreement,

(i) Deliver a copy of the execution version of the Casino Management Agreement to the City, which the City shall have the right to approve prior to the Casino Management Agreement becoming effective; and

(ii) Deliver a fully-executed Subordination Agreement to the City.

6.2 License Application.

Developer shall:

(a) Promptly and accurately complete and submit to the Board its Application no later than forty-five (45) Business Days from the City's delivery of the Certification to the Board, together with other such information as the Board or its staff may from time to time require from Developer in connection with such Application, make all payments required under the Act to be made by an applicant for a License and use its best efforts to satisfy all criteria necessary to be issued a License by the Board.

(b) Deliver to the City a copy of the Application together with proof of the filing of the Application in accordance with the Act contemporaneous with or immediately following its filing, excluding, however, personal disclosure forms (including attachments or exhibits related thereto) that are included as a part of the Application.

(c) Prior to the Board issuing a License to Developer, keep the City informed as to all material contacts and communications between the Board and its staff and Developer so as to enable the City to evaluate the likelihood and timing of the Board issuing a License to Developer.

6.3 Negative Covenants of Developer.

Developer covenants that throughout the Term, Developer shall not:

(a) Upon the occurrence of an Event of Default, and until such time that such Default or Event of Default is cured, declare or pay any dividends or make any other payments or distributions to any Restricted Party.

(b) Directly or indirectly through one or more intermediary companies engage in or permit any Transfer of this Agreement, the Project, the Project Site or any ownership interest therein other than a Permitted Transfer without the prior consent of the City.

(c) Take any action to voluntarily terminate any Casino Management Agreement or amend or waive any compliance with such Casino Management Agreement in a manner that has or could reasonably be expected to have a Material Adverse Effect on the Project or the City or Developer's ability to perform its obligations under this Agreement without submitting notice to the City of any such termination, amendment, or waiver within ten (10) days of effecting same.

6.4 Confidentiality of Deliveries.

To the extent that the Act, Sports Wagering Act, other laws of the State or the City or any other Governmental Requirements, in the reasonable opinion of Developer's legal counsel, allow confidential treatment of the items Developer is obligated to furnish to the City under Sections 6.1(c), (d), or (e)(i), (ii), (iv) and (v) or Section 6.2(b) (the "**Developer's Confidential Items**"), Developer shall have the right to deliver Developer's Confidential Items to the City's Mayor, Corporation Counsel, and consultants, upon each such Person's execution and delivery of a

customary non-disclosure agreement which shall include customary exceptions for disclosure required pursuant to subpoenas, Freedom of Information requests, or other applicable legal requirements. Further, to the extent that Developer requests confidential treatment of any other documentation or information required to be provided to the City under this Agreement, and such documentation and information may be protected from disclosure by the City under applicable law as reasonably determined by the City's Corporation Counsel, the City shall maintain the confidentiality of such documentation and information to the extent permitted by applicable law. Upon receipt of a freedom of information act or other public record request for information relating to Developer's Confidential Items, the City shall provide reasonable written notice of such request to Developer and shall consult with Developer prior to disclosure of such Developer's Confidential Items. Upon Developer's request, City shall allow Developer to commence or participate in any action it reasonably determines it shall have a basis for to protect such information from disclosure, at Developer's cost and expense.

7. **Default**.

7.1 **Events of Default.**

The occurrence of any of the following shall constitute an "**Event of Default**" under this Agreement:

(a) If Developer materially defaults in the performance of any: (i) Governmental Requirement; or (ii) commitment, agreement, covenant, representation, term or condition (other than those specifically described in any other subparagraph of this Section 7.1) of this Agreement, and in such event if Developer fails to remedy any such Default within thirty (30) days after Developer's receipt of a Default Notice with respect thereto; provided, however, that if any such Default is reasonably susceptible of being cured within ninety (90) days, but cannot with due diligence be cured by Developer within thirty (30) days, and if Developer commences to cure such Default within thirty (30) days and diligently prosecutes the cure to completion, then Developer shall not during such period of diligently curing be in Default hereunder as long as such Default is completely cured within ninety (90) days of Developer's receipt of a Default Notice with respect thereto.

(b) If Developer makes a general assignment for the benefit of creditors or admits in writing its inability to pay its debts as they become due;

(c) If Developer files a voluntary petition under any title of the United States Bankruptcy Code, as amended from time to time, or if such petition is filed against Developer and an order for relief is entered, or if Developer shall file any petition or answer seeking, consenting to or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or any future federal bankruptcy law or any other present or future applicable federal, state or similar statute or law, or seeks or consents to or acquiesces to or suffers the appointment of any trustee, receiver, custodian, assignee, liquidator or similar official of Developer, or of all or any substantial part of its properties or of the Project or any interest therein of Developer;

(d) If within ninety (90) days after the commencement of any proceeding against Developer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy code or any other present or future applicable federal, state or similar statute or law, such proceeding shall not have been dismissed; or if within ninety (90) days after the appointment, without the consent or acquiescence of Developer of any trustee, receiver, custodian, assignee, liquidator or other similar official of Developer or of all or any substantial part of its properties or of the Project or any interest therein of Developer, such appointment shall have not been vacated or stayed on appeal or otherwise, or if within ninety (90) days after the expiration of any such stay, such appointment shall not have been vacated;

(e) If any representation or warranty made by Developer hereunder proves to have been false or misleading in any material respect as of the time made or furnished, unless Developer cures such representation or warranty within thirty (30) days;

(f) If a Default occurs, which has not been cured within any applicable cure period, under, or if there is any attempted withdrawal, disaffirmance, cancellation, repudiation, disclaimer of liability or contest of obligations (other than a contest as to performance of such obligations) of, any Transfer Restriction Agreement, any Radius Restriction Agreement, any Subordination Agreement, or the Guaranty Agreement;

(g) If Developer fails to maintain in full force and effect policies of insurance meeting the requirements of Article 9 and in such event Developer fails to remedy such Default within ten (10) Business Days after Developer's receipt of a Default Notice with respect thereto;

(h) If the construction of the Project at any time is discontinued or suspended for a period of one hundred twenty (120) consecutive calendar days, and is not restarted prior to Developer's receipt of a Default Notice with respect thereto; provided, however, that if the discontinuation or suspension of construction is due to an event of Force Majeure event then such discontinuation or suspension shall not be an Event of Default during the resulting Force Majeure Period;

(i) If Operations Commencement (Temporary Project) does not occur by the Operations Commencement Date; or if Operations Commencement (Permanent Project) does not occur by the Operations Commencement Date, subject to Force Majeure as provided in this Agreement; or

(j) If Developer fails to make any Developer's Payments or any other payments required to be made by Developer hereunder as and when due, and fails to make any such payment within ten (10) calendar days after receiving a Default Notice with respect thereto.

7.2 Remedies.

(a) Upon an Event of Default, the City shall have the right if it so elects to: (i) exercise any and all remedies available at law or in equity; (ii) terminate this Agreement; (iii) receive liquidated damages under the circumstances set forth in Section 7.4; (iv) exercise its rights under any Subordination Agreement; or (v) institute and prosecute proceedings to enforce in whole or in

part the specific performance of this Agreement by Developer, or to enjoin or restrain Developer from commencing or continuing said breach, or to cause by injunction Developer to correct and cure said breach or threatened breach, and otherwise without the need to post any bond therefor. None of the remedies enumerated herein are exclusive, except the City's rights to receive liquidated damages in Section 7.4, which shall be the exclusive remedy for the City's to recover its direct damages from delay under such circumstances as the payments under Section 7.4 become payable, and nothing herein shall be construed as prohibiting the City from pursuing any other remedies at law (except as otherwise provided in herein), in equity or otherwise available to it under the Agreement.

(b) Except as expressly stated otherwise, the rights and remedies of the City whether provided by law or by this Agreement, shall be cumulative, except as set forth in Section 7.4, and the exercise by the City of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same Default or breach, to the extent permitted by law. No waiver made by the City or Developer shall apply to obligations beyond those expressly waived in writing.

(c) Notwithstanding the payments provided in Section 7.4 to compensate the City for the City's direct damages for delay, the Parties agree: (i) that irreparable damage, by way of detriment to the public benefit and welfare of the City through lost employment opportunities, lost tourism, degradation of the economic health of the City, loss of indirect revenue and otherwise, would occur to the City if the Temporary Project and the Permanent Project are not designed in accordance with Section 3.1, constructed in accordance with Section 3.2, and fully completed in accordance with Section 3.3(e) or if Developer's obligations in Exhibits A-2, A-3, A-4, A-7, A-8 and A-9 are not fully performed; and (ii) that monetary damages, even if available, would not be an adequate remedy to compensate the City for such damages if such provisions of this Agreement are not performed in accordance with the specific terms thereof. The Parties acknowledge and agree that Developer and Parent Company have been selected to enter into this Agreement as the result of a competitive Request for Proposal process, are performing aspects of the Work which are personal to Developer and Parent Company which could not be contracted-for or otherwise obtained from a third party, are providing knowhow, intellectual property and goodwill (including the 'BALLY'S' tradename and mark, and associated goodwill) for use in the operation of the Project which are unique, and that the Permanent Project has been uniquely designed and is located on a unique Project Site (Permanent). The Parties agree that (A) the City shall be entitled to an injunction or injunctions to prevent breaches or threatened breaches of this Agreement or to enforce specifically the performance by Developer of the terms and provisions of this Agreement, including Section 3.3(e), in the courts described in Section 13.14 without proof of actual damages, in addition to any other remedy to which it is entitled at law or in equity, (B) Developer will not oppose the granting of an injunction, specific performance, or other equitable relief on the basis that the City has an adequate remedy at law or that an award of specific performance is not an appropriate remedy for any reason at law or equity; and (C) the City shall not be required to obtain, furnish, or post any bond or similar instrument in connection with or as a condition to obtaining any remedy referred to in this Section 7.2(c), and each Party irrevocably waives any right it may have to require the obtaining, furnishing, or posting of any such bond or similar instrument. The right of specific enforcement is an integral part of Developer's agreements in this Agreement, including the City's agreement to deliver the Certification on the terms herein provided. Developer

acknowledges, moreover, that in making the Certification, the City is relying on the City's right to specifically enforce this Agreement, including Developer's covenants in Section 3.3(e), in order to obtain for the benefit of the City the aforesaid irreplaceable and non-quantifiable damages, and that, without that right, the City would not have entered into this Agreement.

(d) Upon a breach of this Agreement by the City, Developer shall have all remedies at law, in equity or otherwise available to it under this Agreement, including an action for specific performance.

(e) In no event shall the City be liable under this Agreement for consequential damages, including lost profits.

(f) In the event that the City shall have been paid liquidated damages pursuant to Section 7.4 or Section 6 of Exhibit A-2 under the circumstances when such liquidated damages are payable and is awarded specific performance of this Agreement in connection with the failures to perform this Agreement giving rise to such liquidated damages, it shall not also have a separate claim for indirect or consequential damages arising from such failures to perform.

7.3 Termination.

Except for the provisions that by their terms survive, this Agreement shall terminate immediately upon the occurrence of any of the following, or as otherwise provided in this Agreement:

(a) The Closing Date does not occur;

(b) The Board rejects or denies Developer's Application; *provided*, that, if such denial or rejection is subject to appeal and Developer timely asserts and diligently continues to prosecute such appeal, no termination shall occur until the earlier of (i) the date which is twelve (12) months after the date of the Board's rejection or denial, subject to extension with the consent of the City (not unreasonably withheld) for up to an additional six (6) months, or (ii) the rejection or denial is finally upheld or affirmed without any further right of appeal during such twelve (12) month period, as it may be so extended;

(c) There is no Finding of Preliminary Suitability of Developer within twelve (12) months (as such date may be extended by the City in its sole discretion) after Developer's submission of its Application as provided in the Act; or

(d) Developer's License (i) is revoked by a final, non-appealable order; (ii) expires and is not renewed by the Board and Developer has exhausted any rights it may have to appeal such expiration or non-renewal; or (iii) imposes conditions which are not satisfied within the time periods specified therein, subject to any cure periods or extension rights.

These termination events are in addition to any other rights the City or Developer may have to terminate this Agreement whether specified herein or otherwise available to the City under law.

7.4 Liquidated Damages.

(a) In the event that Operations Commencement (Temporary Project) does not occur on or before the Operations Commencement Date (subject to the extension thereof by any Force Majeure Periods pursuant to Section 3.3(e)), Developer will pay the City an amount, calculated on a daily basis, equal to the product of (i) eighty-five percent (85%) of the Projected Per-Diem Amount (Temporary) multiplied by (ii) the number of days in the period commencing on the Operations Commencement Date through and until Operations Commencement (Temporary Project).

(b) In the event that at least seventy-five percent (75%) of the Gaming Area of the Permanent Project is not open to the general public for Casino Gaming Operations in accordance with Governmental Requirements on or before the Operations Commencement Date (subject to the extension thereof by any Force Majeure Periods pursuant to Section 3.3(e)), Developer will pay the City an amount, calculated on a daily basis, equal to the excess of (i) the product of (A) eighty-five percent (85%) of the Projected Per-Diem Amount (Permanent) multiplied by (B) the number of days in the period commencing on the Operations Commencement Date through and until (x) Operations Commencement (Permanent Project) or, (y) if earlier, the date when seventy-five percent (75%) of the Gaming Area of the Permanent Project is open to the general public for Gaming in accordance with Governmental Requirements and fees begin to accrue under Section 7.4(c) minus (ii) the actual Local Tax Revenues received for such period; *provided*, that no such payment shall be payable for any day earlier than the day which is one (1) day after the third anniversary of Operations Commencement (Temporary Project).

(c) If, on and after the Operations Commencement Date (subject to the extension thereof by any Force Majeure Periods pursuant to Section 3.3(e)), seventy-five percent (75%) of the Gaming Area of the Permanent Project shall be open to the general public for Casino Gaming Operations in accordance with Governmental Requirements but the Permanent Project nevertheless has not achieved Operations Commencement (Permanent Project), Developer will pay the City an amount, calculated on a daily basis, equal to the product of (i) ten percent (10%) of the Projected Per-Diem Amount (Permanent) multiplied by (ii) the number of days in the period commencing on the Operations Commencement Date through and until Operations Commencement (Permanent Project); *provided*, that no such payment shall be payable for any day earlier than the day which is one (1) day after the third anniversary of Operations Commencement (Temporary Project).

(d) In the event that the Permanent Project does not achieve Final Completion (Permanent Project) on or before the Final Completion Date (subject to the extension thereof by any Force Majeure Periods pursuant to Section 3.3(e)), Developer will pay an amount, calculated on a daily basis, equal to the product of (i) ten percent (10%) of the Projected Per-Diem Amount (Permanent) multiplied by (ii) the number of days in the period commencing on the Final Completion Date through and until Final Completion (Permanent Project).

(e) The City and Developer covenant and agree that, because of the difficulty or impossibility of determining the City's damages from delayed performance of Developer's covenants under Section 3.3, the percentages of the Projected Per-Diem Amount (Temporary) and the Projected Per-Diem Amount (Permanent) which would be payable under this Section 7.4 are a

reasonable forecast the City's direct damages of such delay under the circumstances in which they would become payable in accordance with this Agreement and not penalties. The City's election to receive liquidated damages pursuant to this Section 7.4 for such direct damages of the City caused by the delayed performance of Developer's covenants under Section 3.3 is not intended to and shall not derogate from the City's right to seek the specific performance or other equitable relief with respect to Developer's covenants in Sections 3.1, 3.2 and 3.3(e).

(f) The payment obligations of Developer under subsections (a), (b), (c) and (d) of this Section 7.4 shall accrue as provided herein, but the obligations accrued thereunder shall become payable only when the City delivers written notice to Developer of the City's election to receive liquidated damages pursuant to this Section 7.4. After the City gives notice, Developer's payment obligations under this Section 7.4 for accrued amounts (if any) shall be immediately due and payable, and Developer's payment obligations accruing from and after the date of such notice shall be due periodically on such schedule as the City and Developer agree, but not less often than weekly, until the violations or failures to perform giving rise to such obligations have been fully cured. All amounts payable under this Section 7.4 shall bear interest at the Default Rate from the due date until paid.

8. Transfer of Ownership Interests.

8.1 Transfer of Ownership Interests.

(a) Developer acknowledges and agrees that the obligations that Developer is to perform under this Agreement for the City's benefit are personal in nature. The City is relying upon each Restricted Party in the exercise of their respective skill, judgment, reputation and discretion with respect to the Project. Any Transfer by a Restricted Party of any Direct Or Indirect Interest in any Restricted Party shall be subject to the rules and restrictions set forth in the respective Transfer Restriction Agreement, which Developer shall cause each Restricted Party, as requested by the City, to execute and deliver to the City, as part of the Closing Deliveries.

(b) Any transferee of a Restricted Party shall hold its interests subject to the restrictions of such Transfer Restriction Agreement.

(c) Developer shall notify the City as promptly as practicable upon Developer becoming aware of any Transfer in violation of this Section 8.1.

9. Insurance.

9.1 Maintain Insurance.

Developer shall maintain in full force and effect the types and amounts of insurance as set forth on Exhibit I .

9.2 Form of Insurance and Insurers.

Whenever, under the terms of this Agreement, Developer is required to maintain insurance, the City shall be named as an additional insured in all such insurance policies to the extent of its insurable interest. All policies of insurance provided for in this Agreement shall be effected under

valid and enforceable policies, in commercially reasonable form issued by responsible insurers which are authorized to transact business in the State, having a financial strength rating by A.M. Best Company, Inc. of not less than "A-" or its equivalent from another recognized rating agency. Thereafter, as promptly as practicable prior to the expiration of each such policy, Developer shall deliver to the City an Accord certificate, together with proof reasonably satisfactory to the City that the full premiums have been paid or provided for at least the renewal term of such policies and as promptly as practicable, a copy of each renewal policy.

9.3 Insurance Notice.

Each such policy of insurance to be provided hereunder shall contain, to the extent obtainable on a commercially reasonable basis, an agreement by the insurer that such policy shall not be canceled or modified without at least thirty (30) days prior written notice by registered mail, return receipt requested, to the City.

9.4 Keep in Good Standing.

Developer shall observe and comply with the requirements of all policies of public liability, fire and other policies of insurance at any time in force with respect to the Project and Developer shall so perform and satisfy the requirements of the companies writing such policies.

9.5 Blanket Policies.

Any insurance provided for in this Article 9 may be provided by blanket or umbrella policies issued to Developer covering the Project and other properties owned or leased by Developer; provided, however, that the amount of the total insurance allocated to the Project shall be such as to furnish in protection the equivalent of separate policies in the amounts herein required without possibility of reduction or coinsurance by reason of, or damage to, any other premises covered therein, and provided further that in all other respects, any such policy or policies shall comply with the other specific insurance provisions set forth herein and Developer shall make such policy or policies or a copy thereof available for review by the City.

10. Damage and Destruction.

10.1 Damage or Destruction.

In the event of damage to or destruction of improvements at the Project or any part thereof by fire, casualty or otherwise, Developer, at its sole expense, shall promptly repair, restore, replace and rebuild, or demolish and rebuild (collectively, "**Restore**") the improvements, as nearly as possible to the same condition that existed prior to such damage or destruction using materials of an equal or superior quality to those existing in the improvements prior to such casualty. All work required to be performed in connection with such restoration and repair is hereinafter called the "**Restoration**." Developer shall obtain any required temporary certificate of occupancy as soon as practicable after the completion of such Restoration. If neither Developer nor any Mortgagee shall commence the Restoration of the improvements or the portion thereof damaged or destroyed promptly following such damage or destruction and adjustment of its insurance proceeds, or, having so commenced such Restoration, shall fail to proceed to complete the same with reasonable

diligence in accordance with the terms of this Agreement, the City may, but shall have no obligation to, complete such Restoration at Developer's expense, upon thirty (30) calendar days' notice to Developer without Developer having commenced Restoration. Upon the City's election to so complete the Restoration and the expiration of the required notice to Developer, Developer immediately shall permit the City to utilize all insurance proceeds which shall have been received by Developer, minus those amounts, if any, which Developer shall have applied to the Restoration, and if such sums are insufficient to complete the Restoration, Developer, on demand, shall pay the deficiency to the City. Each Restoration shall be done subject to the provisions of this Agreement.

10.2 Use of Insurance Proceeds.

(a) Subject to the conditions set forth below, all proceeds of casualty insurance on the improvements shall be made available to pay for the cost of Restoration if any part of the improvements are damaged or destroyed in whole or in part by fire or other casualty.

(b) Promptly following any damage or destruction to the improvements by fire, casualty or otherwise, Developer shall:

(i) give written notice of such damage or destruction to the City and each Mortgagee; and

(ii) deliver a written notice of Developer's intent to complete the Restoration in a reasonable amount of time plus periods of time as performance by Developer is prevented by Force Majeure events (other than financial inability) after occurrence of the fire or casualty.

(c) Developer agrees to provide monthly written updates to the City summarizing the progress of any Restoration, including but not limited to, anticipated dates for the opening of the damaged areas to the public, to the extent applicable.

(d) Developer shall have no notification requirements to the City for any Restoration having a value less than Ten Million Dollars ($10,000,000) in the aggregate.

10.3 No Termination.

No destruction of or damage to the Project, or any portion thereof or property therein by fire, flood or other casualty, whether such damage or destruction be partial or total, shall permit Developer to terminate this Agreement or relieve Developer from its obligations hereunder.

10.4 Condemnation.

If a Major Condemnation occurs, this Agreement shall terminate, and no Party shall have any claims, rights, obligations, or liabilities towards any other Party arising after termination, other than as provided for herein. If a Minor Condemnation occurs or the use or occupancy of the Project or any part thereof is temporarily requisitioned by a civil or military governmental authority for not more than thirty (30) days, then (a) this Agreement shall continue in full force and effect; (b) Developer shall promptly perform all Restoration required in order to repair any physical damage to the Project caused by the Condemnation, and to restore the Project, to the extent reasonably

practicable, to its condition immediately before the Condemnation. If a Minor Condemnation occurs, any Proceeds in excess of Ten Million Dollars ($10,000,000) will be and are hereby, to the extent permitted by applicable law and agreed to by the condemnor, assigned to and shall be withdrawn and paid into an escrow account to be created by an escrow agent (the "**Escrow Agent**") selected by (i) the Mortgagee if the Project is encumbered by a Mortgage (or if the Project is encumbered by multiple mortgages, the Mortgagee with the highest priority lien on the Project); or (ii) Developer and the City in the event there is no first Mortgagee, within ten (10) days of when the Proceeds are to be made available. If Developer or the City for whatever reason cannot or will not participate in the selection of the Escrow Agent, then the other party shall select the Escrow Agent, which shall be a bank with an office in the City of Chicago that takes deposits having a capital surplus in excess of One Hundred Million Dollars ($100,000,000). Nothing herein shall prohibit the Mortgagee (or if the Project is encumbered by multiple mortgages, the Mortgagee with the highest priority lien on the Project) from acting as the Escrow Agent. This transfer of the Proceeds, to the extent permitted by applicable law and agreed to by the condemnor, shall be self-operative and shall occur automatically upon the availability of the Proceeds from the Condemnation and such Proceeds shall be payable into the escrow account on the naming of the Escrow Agent to be applied as provided in this Section 10.4. If the City or Developer are unable to agree on the selection of an Escrow Agent, either the City or Developer may apply to the Circuit Court of Cook County for the appointment of a bank with an office in the City of Chicago that takes deposits having a capital surplus in excess of One Hundred Million Dollars ($100,000,000) as the Escrow Agent. The Escrow Agent shall deposit the Proceeds in an interest-bearing escrow account and any after tax interest earned thereon shall be added to the Proceeds. The Escrow Agent shall disburse funds from the Escrow Account to pay the cost of the Restoration in accordance with the procedure described in Section 10.2(b), (c) and (d). If the cost of the Restoration exceeds the total amount of the Proceeds, Developer shall be responsible for paying the excess cost. If the Proceeds exceed the cost of the Restoration, the Escrow Agent shall distribute the excess Proceeds, subject to the rights of the Mortgagees, first to the City to pay any amounts then due the City under this Agreement and then to Developer. Nothing contained in this Section 10.4 shall impair or abrogate any rights of Developer against the condemning authority in connection with any Condemnation. All fees and expenses of the Escrow Agent shall be paid by Developer.

11. Indemnification.

11.1 Indemnification by Developer.

(a) Developer shall defend, indemnify and hold harmless the City and each of its officers, agents, employees, contractors, subcontractors, attorneys, consultants, and members of the City's casino evaluation and selection teams (collectively the "**Indemnitees**" and individually an "**Indemnitee**") from and against any and all liabilities, losses, damages, costs, expenses, claims, obligations, penalties and causes of action (including reasonable fees and expenses for attorneys, paralegals, expert witnesses, environmental consultants and other consultants at the prevailing market rate for such services) whether based upon negligence, strict liability, statutory liability, absolute liability, product liability, common law, misrepresentation, contract, implied or express warranty or any other principle of law, and whether or not arising from third party claims, that are imposed upon, incurred by or asserted against Indemnitees or which Indemnitees may suffer or be

required to pay and which arise out of or relate in any manner including but not limited to any of the following: (1) Developer's (the terms "Developer" or "Developer's" including for purposes of clauses (1) through (15) of this Section 11.1(a), the Casino Manager or Casino Manager's) development, construction, ownership, possession, use, condition, occupancy or abandonment of the Project or any part thereof; (2) Developer's operation or management of the Project or any part thereof; (3) the performance of any labor or services or the furnishing of any material for or at the Project or any part thereof by or on behalf of Developer or enforcement of any liens with respect thereto; (4) any personal injury, death or property damage suffered or alleged to have been suffered by Developer (including Developer's employees, agents or servants), or any third person as a result of any action or inaction of Developer; (5) any work or things whatsoever done in, or at the Project or any portion thereof, or off-site pursuant to the terms of this Agreement by or on behalf of Developer; (6) the condition of any building, facilities or improvements at the Project or any non-public street, curb or sidewalk at the Project, or any vaults, tunnels, malls, passageways or space therein; (7) any breach or default on the part of Developer for the payment, performance or observance of any of its obligations under all agreements entered into by Developer or any of its Affiliates relating to the performance of services or supplying of materials to the Project or any part thereof; (8) any act, omission or negligence of any tenant, or any of their respective agents, contractors, servants, employees, licensees or other tenants at the Project; (9) any failure of Developer to comply with all Governmental Requirements; (10) any breach of any warranty or the inaccuracy of any representation made by Developer contained or referred to in this Agreement or in any certificate or other writing delivered by or on behalf of Developer pursuant to the terms of this Agreement; (11) the environmental condition of the Project Site (including the presence of any hazardous or regulated substance in, on, under or adjacent to such property); (12) the release of any hazardous or regulated substance to the environment arising or resulting from any work or things whatsoever done in or at the Project or any portion thereof, or in or at off-site improvements or facilities used or constructed in connection with the Project pursuant to the terms of this Agreement by or on behalf of Developer; (13) the operation or use of the Project, whether or not intended, in violation of any law addressing the protection of the environment or the projection of public health; (14) any breach or failure by Developer to perform any of its covenants or obligations under this Agreement; and (15) any legal challenge brought by any community group, citizens group, or any Person relating in any way to the effectiveness of this Agreement, the process by which this Agreement was entered into or approved and the selection of Developer to negotiate this Agreement, the Request for Proposal, the Certification process, the zoning ordinance amendments necessary to develop and operate the Project, the authority of the City to enter into this Agreement, the compliance of this Agreement with the provisions of the Act, the Sports Wagering Act, or any other Government Requirement, or the implementation or enforcement of any provision of this Agreement.

(b) In case any action or proceeding shall be brought against any Indemnitee based upon any claim in respect of which Developer has agreed to indemnify any Indemnitee, Developer will upon notice from Indemnitee defend such action or proceeding on behalf of any Indemnitee at Developer's sole cost and expense and will keep Indemnitee fully informed of all developments and proceedings in connection therewith and will furnish Indemnitee with copies of all papers served or filed therein, irrespective of by whom served or filed. In such a case, Developer shall defend such action with legal counsel it selects provided that such legal counsel is reasonably satisfactory to Indemnitee. Such legal counsel shall not be deemed reasonably satisfactory to

Indemnitee if legal counsel has: (i) a legally cognizable conflict of interest with respect to the City; (ii) within the five (5) years immediately preceding such selection performed legal work for the City which in its respective reasonable judgment was inadequate; or (iii) frequently represented parties opposing the City in prior litigation. Each Indemnitee shall have the right, but not the obligation, at its own cost, to be represented in any such action by legal counsel of its own choosing.

(c) Notwithstanding anything to the contrary contained in Section 11.1(a), Developer shall not indemnify and shall have no responsibility to any Indemnitee for any matter to the extent directly caused by the gross negligence or willful misconduct of such Indemnitee.

12. **Force Majeure**.

12.1 **Definition of Force Majeure.**

An event of "**Force Majeure**" shall mean the following events or circumstances if, but only if, such event or circumstances delays performance beyond the reasonable control of Developer, or its agents and contractors, of their duties and obligations under this Agreement and such delay could not have been avoided or shortened by commercially reasonable efforts to foresee, mitigate or cure such disruption by Developer and its agents and contractors:

(a) Acts of God, tornadoes, hurricanes, floods or other abnormal and highly inclement weather, sinkholes, fires and other casualties, landslides or earthquakes;

(b) Acts of a public enemy, acts of war, terrorism, effects of nuclear radiation, blockades, insurrections, riots, civil disturbances, or national or international calamities;

(c) Rioting, looting, arson and like violent or destructive acts of civil commotion of a scale which is materially adversely impactful on the City and its businesses, taken as a whole;

(d) Actual or threatened health emergencies (including, without limitation, epidemic, pandemic, Covid-19, famine, diseases, plague, quarantine, and other health risks);

(e) Concealed and unknown conditions of an unusual nature that are encountered below ground or in an existing structure, but only to the extent that such conditions could not have been discovered by Developer's exercise of reasonable diligence;

(f) Any temporary restraining order, preliminary injunction or permanent injunction, or mandamus or similar order, or any litigation or administrative delay which prevents or materially impedes the ability of Developer to complete the Project or perform any obligations of Developer under this Agreement, unless based in whole or in part on the actions or failure to act of Developer;

(g) The failure by, or unreasonable delay of, the City or State or other Governmental Authority to issue any permits or Approvals necessary for Developer to develop, construct, open or operate the Project unless such failure or delay is based materially in whole or in part on the actions or failure to act of Developer or its Affiliates, agents, representatives or contractors;

(h) The enactment after the date hereof of any City, State, or Federal ordinance that has the effect of unreasonably delaying Developer's obligations under this Agreement; or

(i) A breach by the City of its covenants in Section 3.1(c) of this Agreement related to the review and approval of Concept Design Documents and construction documents, to the extent that such breach that results in an actual delay of Developer's performance of its obligations under Section 3.3(a) and Section 3.3(b) relative to the timeline for such performance (including the timeline for amending the PD) had the City not so breached its covenants in Section 3.1(c).

12.2 Notice.

Developer shall, within thirty (30) days, notify the City in writing of the occurrence of an event of Force Majeure of which it has knowledge, describe in reasonable detail the nature of the event and provide a good faith estimate of the duration of any delay expected in Developer's performance obligations. During the Force Majeure Period, Developer shall keep the City reasonably apprised orally or, at the City's request, in writing of the status of the Force Majeure and of Developer's efforts to prevent and remedy delays in Developer's performance resulting from the Force Majeure. Developer will furnish the City with such additional information orally or, at the City's request, in writing regarding the event of Force Majeure and the anticipated and actual delay resulting therefrom as City may reasonably request.

12.3 Delay of Performance.

Notwithstanding any other provision of this Agreement to the contrary, Developer shall be entitled to an adjustment in the time of any duty or obligation of Developer under this Agreement for Force Majeure events but only for the Force Majeure Period and only to the extent that Developer has taken commercially reasonable steps to mitigate the effects of the Force Majeure event and only if such occurrences actually delay the performance of such duty or obligation.

13. Miscellaneous.

13.1 Notices.

Notices shall be given as follows:

Any notice, demand, update or other communication which any Party may desire or may be required to give to any other Party shall be in writing delivered by (i) hand-delivery, (ii) a nationally recognized overnight courier, or (iii) U.S. mail (but excluding electronic mail, i.e., "**e-mail**") addressed to a Party at its address set forth below, or to such other address as the Party to receive such notice may have designated to all other Parties by notice in accordance herewith:

If to the City:

Mayor
City of Chicago
121 N. LaSalle Street, 5th Floor
Chicago, Illinois 60602

with copies to: Office of the Chief Financial Officer
City of Chicago
121 N. LaSalle Street, Room 700
Chicago, Illinois 60602

and

Corporation Counsel
City of Chicago
121 N. LaSalle Street, Room 600
Chicago, Illinois 60602

and

Cezar M. Froelich, Esq.
Kimberly M. Copp, Esq.
Taft Stettinius & Hollister LLP
111 E. Wacker Drive, Suite 2800
Chicago, Illinois 60601

If to Developer: Bally's Chicago Operating Company, LLC
c/o Bally's Corporation
Attn: Craig Eaton, Executive Vice President
100 Westminster Street
Providence, RI 02903

with copies to: Jonathan Mechanic, Esq.
Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, New York 10004

Any such notice, demand or communication shall be deemed delivered and effective upon actual delivery. Additionally, if notice is required to be delivered to a Mortgagee pursuant to Section 4.9(e), then it shall be delivered to Mortgagee at the address provided in the mortgage.

13.2 Non-Action or Failure to Observe Provisions of this Agreement; Waiver

The failure of the City or Developer to promptly insist upon strict performance of any term, covenant, condition or provision of this Agreement, or any exhibit hereto, or any other agreement contemplated hereby, shall not be deemed a waiver of any right or remedy that the City or Developer may have, and shall not be deemed a waiver of a subsequent Default or nonperformance of such term, covenant, condition or provision, it being understood that a waiver by a Party shall be made only by a writing signed by such Party.

13.3 Applicable Law and Construction.

The laws of the State shall govern the validity, performance and enforcement of this Agreement. This Agreement has been negotiated by the City and Developer, and the Agreement,

including the exhibits and schedules attached hereto, shall not be deemed to have been negotiated and prepared by the City or Developer, but by each of them.

13.4 Submission to Jurisdiction; Service of Process.

(a) It is the express intention of the Parties that the exclusive venue of all legal actions and procedures of any nature whatsoever which relate in any way to this Agreement shall be the Circuit Court of Cook County, Illinois or the United States District Court for the Northern District of Illinois (the "**Court**").

(b) If at any time during the Term, Developer is not a resident of the State or has no officer, director, employee, or agent thereof available for service of process as a resident of the State, or if any permitted assignee thereof shall be a foreign corporation, partnership or other entity or shall have no officer, director, employee, or agent available for service of process in the State, Developer or its assignee hereby designates the Secretary of the State, as its agent for the service of process in any court action between it and the City or arising out of or relating to this Agreement and such service shall be made as provided by the laws of the State for service upon a non-resident.

13.5 Complete Agreement.

This Agreement, and all the documents and agreements described or referred to herein, including the exhibits and schedules attached hereto, constitute the full and complete agreement between the Parties with respect to the subject matter hereof, and supersedes and controls in its entirety over any and all prior agreements, understandings, representations and statements whether written or oral by each of the Parties.

13.6 Holidays.

It is hereby agreed and declared that whenever a notice or performance under the terms of this Agreement is to be made or given on a day other than a Business Day, it shall be postponed to the next following Business Day.

13.7 Exhibits.

Each exhibit referred to and attached to this Agreement is an essential part of this Agreement.

13.8 No Joint Venture.

The City on the one hand and Developer on the other, agree that nothing contained in this Agreement or any other documents executed in connection herewith is intended or shall be construed to establish the City and Developer as joint venturers or partners.

13.9 Unlawful Provisions Deemed Stricken.

If this Agreement contains any unlawful provisions not an essential part of this Agreement and which shall not appear to have a controlling or material inducement to the making thereof, such provisions shall be deemed of no effect and shall be deemed stricken from this Agreement

without affecting the binding force of the remainder. In the event any provision of this Agreement is capable of more than one interpretation, one which would render the provision invalid and one which would render the provision valid, the provision shall be interpreted so as to render it valid.

13.10 <u>No Liability for Approvals and Inspections</u>.

No approval to be made by the City under this Agreement or any inspection of the Work by the City shall render the City liable for failure to discover any defects or non-conformance with this Agreement, or a violation of or noncompliance with any federal, State or local statute, regulation, ordinance or code.

13.11 <u>Time of the Essence</u>.

All times, wherever specified herein for the performance by Developer and City of their obligations hereunder, are of the essence of this Agreement.

13.12 <u>Captions</u>.

The captions of this Agreement are for convenience of reference only and in no way define, limit or describe the scope or intent of this Agreement or in any way affect this Agreement.

13.13 <u>Amendments</u>.

(a) This Agreement may only be modified or amended by a written instrument signed by the Parties.

(b) The Parties acknowledge that the Board may, subsequent to the date of this Agreement, promulgate regulations under or issue interpretations of or policies or evaluation criteria concerning the Act which regulations, interpretations, policies or criteria may conflict with, or may not have been contemplated by, the express terms of this Agreement. In addition, the Parties acknowledge that environmental permits and approvals may necessitate changes to this Agreement. In such event, the Parties agree to negotiate in good faith any amendment to this Agreement necessary to comply with the foregoing two sentences, whether such changes increase or decrease either of the Parties' respective rights or obligations hereunder.

13.14 <u>Compliance</u>.

Any provision that permits or requires a Party to take action shall be deemed to permit or require, as the case may be, the Party to cause the action to be taken.

13.15 <u>Table of Contents</u>.

The table of contents is for the purpose of convenience only and is not to be deemed or construed in any way as part of this Agreement or as supplemental thereto or amendatory thereof.

13.16 Number and Gender; Inclusive Or.

All terms used in this Agreement, regardless of the number or gender in which they are used, shall be deemed to include any other number and any gender as the context may require. The term "or" should be read as inclusive.

13.17 Third-Party Beneficiary.

Except as expressly provided in the Releases, Sections 4.5 (payment of Development Process Cost Fees), and 11 (Indemnification), there shall be no third-party beneficiaries with respect to this Agreement.

13.18 Cost of Investigation.

If as a result of the Agreement, the City, the City Council, or any employee, agent, or representative of the City is required to be licensed or approved by the Board, the reasonable costs of such licensing, approval or investigation shall be paid by Developer within five (5) Business Days following receipt of a written request from the City.

13.19 Further Assurances.

The City and Developer will cooperate and work together in good faith to the extent reasonably necessary and commercially reasonable to accomplish the mutual intent of the Parties that the Project be successfully completed as expeditiously as is reasonably possible.

13.20 Estoppel Certificates.

The City shall, at any time and from time to time, upon not less than twenty (20) Business Days prior written notice from any lender of Developer, execute and deliver to any lender of Developer an estoppel certificate in the form attached hereto as Exhibit J.

13.21 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original document and together shall constitute one instrument.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers on the date first set forth above at Chicago, Illinois.

CITY:

CITY OF CHICAGO, ILLINOIS,
a municipal corporation

By: ______________________
Name: Lori E. Lightfoot
Title: Mayor

Attest: ______________________

Name: Andrea M. Valencia
Title: City Clerk

[SIGNATURES CONTINUED ON NEXT PAGE]

DEVELOPER:

BALLY'S CHICAGO OPERATING COMPANY, LLC,
a Delaware limited liability company

By: ______________________
Name: George Papanier
Title: President

[Signature Page – Host Community Agreement]

EXHIBIT A-1

PROJECT INCENTIVES

1.1 One-Time Payment.

(a) In addition to all other amounts due to the City, Developer shall pay to the City a host community one-time impact fee equal to $40,000,000 (the "**One-Time Payment**") on or before the fifth (5th) Business Day following the execution of this Agreement by Developer and the City.

1.2 Ongoing Payments.

(a) Beginning on the date of Operations Commencement (Temporary Project) and on each calendar anniversary thereof:

(i) Developer shall pay the City an annual fixed host community direct impact fee of $2,000,000 (the "**Direct Impact Fee**"); and

(ii) Developer shall pay the City an annual fixed host community indirect impact fee of $2,000,000 (the "**Indirect Impact Fee**").

EXHIBIT A-2

GOALS FOR CONTRACTING WITH CITY-BASED BUSINESSES, HIRING, CONSTRUCTION WORK HOURS, AND SOURCING OF GOODS AND SERVICES

1. Definitions.

For purposes of Exhibit A-2, the terms defined herein below shall have the following meanings:

"**Business Enterprise owned or operated by People with Disabilities**" or "**BEPD**" means a business certified as a BEPD pursuant to MCC 2-92-586, "Contracts – Business enterprises owned or operated by people with disabilities," as it may be amended from time to time.

"**Certified Firm**" means, generically, a BEPD, MBE, VBE, or WBE.

"**Chief Financial Officer**" means the Chief Financial Officer of the City as defined by MCC 1-4-090, or a designee thereof.

"**Gaming Equipment and Related Services**" means Slot Machines, or the apparatuses used for Table Games, as defined by 230 ILCS 10/4, as it may be amended from time to time, and in each case equipment directly relating thereto, and assembly, maintenance, and repair services related directly thereto which may only be provided by persons or entities holding a Supplier's License issued by the Illinois Gaming Board pursuant to 86 Ill. Adm. Code 3000.200, "Classification of Licenses" as it may be amended from time to time.

"**Good Faith Effort**" means a Good Faith Effort as defined by MCC 2-92-670(k), "Definitions: Good-Faith Efforts," as it may be amended from time to time. A non-exclusive list of possible Developer actions that would be considered in evaluating Developer's Good Faith Efforts (substituting Certified Firms for references to DBEs, and Developer for Bidder) are those found in 49 CFR Part 26 Appendix A, "Guidance Concerning Good Faith Efforts," under section IV.

"**Minority-Owned Business**" means a business certified as a Minority-Owned Business Enterprise pursuant to MCC Chapter 2-92 Article VI, or a business certified as a Minority-Owned Business pursuant to MCC Chapter 2-92 Article IV, as they may be amended from time to time.

"**Socio-Economically Disadvantaged Area**" or "**SEDA**" means an area of the City that has been designated as socio-economically disadvantaged by the Commissioner of Planning and Development under authority currently codified under MCC 2-92-390, or as otherwise designated by the City.

"**Veteran-Owned Business Enterprise**" or "**VBE**" means a business certified as a Veteran-Owned Business Enterprise pursuant to MCC 2-92-930 as it may be amended from time to time.

"**Woman-Owned Business**" or "**WBE**" means a business certified as a Woman-Owned Business Enterprise pursuant to MCC Chapter 2-92 Article VI, or a business certified as a

Woman-Owned Business pursuant to MCC Chapter 2-92 Article IV, as they may be amended from time to time.

2. Construction of Project

Developer will contractually obligate and use reasonable efforts to cause the general contractor and architect/engineer and each subcontractor involved in design and construction work for the Project to abide by the MBE and WBE contracting goals and City resident and SEDA resident goals set forth in this Section 2.

a. Contracting Goals.

For all design and construction work associated with the Project, Developer will use reasonable efforts to cause at least 36% of the work to be performed by MBE firms and at least 10% of the work to be performed by WBE firms. These goals should be met individually for the Temporary Project and the Permanent Project, and for the expansion of the hotel to five-hundred rooms when it occurs.

b. Construction Workforce Work Hours.

For all construction work associated with the Project, Developer will use reasonable efforts to cause at least 50% of the work hours to be performed by actual residents of the City and at least 15.5% of the work hours to be performed by actual residents of Socio-Economically Disadvantaged Areas of the City. These requirements will be implemented consistently with those of MCC 2-92-330, except that the SEDA goal replaces the 7.5% Project Area Goal currently codified in that section.

c. Participation Schedules and Compliance Reports.

No later than the submittal of the final concept design drawings for the Temporary Project, and for the Permanent Project, Developer must submit a preliminary "Projected Utilization Schedule" identifying the MBE and WBE firms that have been engaged to design each facility, and to what extent and when in the design process they will be utilized.

Prior to beginning construction of each the Temporary Project, of the Permanent Project, and of the expansion of the hotel, Developer must submit a "Projected Utilization Schedule," and a "Workforce Compliance Plan" in a form acceptable to the City and must meet with City monitoring staff to demonstrate understanding of the goals and reporting requirements. The Projected Utilization Schedule must show when and to what extent in the schedule for design and construction MBE and WBE firms are expected to be utilized, and to the extent practicable, identifying the specific MBE and WBE firms that will be engaged to perform the work. The "Workforce Compliance Plan" must show how Developer intends to comply with its City and SEDA resident obligations throughout the construction of the applicable facility.

Throughout construction of the Project, Developer must deliver to the City quarterly written progress reports detailing compliance with these requirements, as well as participation by local businesses as described in Section 7 below, and any other metric related to contracting equity and inclusion or economic impact as the City may reasonably request. With respect to MBE and WBE utilization, the reports must compare the Projected Utilization Schedule with actual utilization. City may require submission of reports through electronic means compatible with its contract monitoring systems.

Developer's quarterly reports shall include, inter alia, the name and business address of each MBE and WBE solicited by Developer or its contractors to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist the City's monitoring staff in determining Developer's compliance with its commitments. Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of all construction of the Project, including the hotel expansion. The City's monitoring staff shall, upon providing Developer at least ten (10) Business Days' notice, be provided access to records of Developer reasonably requested by such staff to allow the City to review Developer's compliance with its commitments to MBE/WBE participation and the status of any MBE or WBE performing any portion of the construction work on the project.

Quarterly reports may also include, as directed by City monitoring staff: (i) subcontractor's activity report; (ii) MBE/WBE utilization report by month; (iii) payroll showing worker hours and residency; (iv) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (v) evidence of compliance with job creation/job retention requirements.

If any such reports prior to 100% completion of the Temporary Project, Permanent Project or hotel expansion indicate a shortfall in compliance or discrepancy of greater than 5% in the participation of MBEs or WBEs, or greater than 5% in the employment of City and SEDA residents, Developer must make Good Faith Effort to correct the shortfall and must deliver an explanation for the shortfall or discrepancy and provide a plan outlining, to the Chief Financial Officer's satisfaction, the manner in which Developer will endeavor to correct any shortfall or discrepancy ("**Recovery Plan**").

3. Sourcing of Goods and Services

a. Contracting Goals.

Except for the purchase of Gaming Equipment and Related Services, in the sourcing of goods and services through the life of the Agreement, including but not limited to maintenance, repair, and renovation of the facilities, any construction work after initial development of the Project (other than the hotel expansion), as well as all provisioning and consumables, and professional consulting services, Developer* commits to making a Good Faith Effort to spend, of overall annual spending each year, at least 26% with MBEs, at least 10% with WBEs, at least 2% with BEPDs, and at least 3% with VBEs.

Developer's Good Faith Efforts to achieve these goals must include, but will not be limited to:

- Eliminating disparities in the initial procurement process by issuing all contracts and bids in excess of $10,000 as a competitive RFP, it being understood that a competitive RFP

* All of the commitments in this Exhibit A-2 (except with respect to construction) as well as the commitments made in Exhibit A-3 would also be the responsibility of the Casino Manager, if any, so that any such Casino Manager would be required to enter into an undertaking with the City so comply in connection with the execution of any Casino Management Agreement.

shall not be required in those limited situations in which the limited number of vendors or the time pressures make the use of an RFP impracticable.

- Listing all RFP vendor opportunities on Bally's Chicago website.
- Hosting an annual diversity vendor fair onsite.
- Joining or partnering with local business organizations such as the Illinois Black Chamber of Commerce, Illinois Hispanic Chamber of Commerce, Chicago Minority Supplier Development Council, Chicago Urban League, and the Chicago Business Leadership Council.
- Utilizing selection criteria that put a weighted emphasis on MBE, WBE, VBE, and BEPD certifications and Chicago-based vendors.
- Hiring a Diversity, Equity and Inclusion expert in sourcing, monitoring, compliance and contracting MBE, WBE, VBE, and BEPD vendors to leverage their network of vendors, suppliers and individuals seeking jobs to push notifications, recruit bidders, and support bidders in the process.

b. Utilization Schedules and Compliance Reports.

By such date as the Chief Financial Officer may direct, but no later than the opening of the Temporary Project, Developer must submit a Business Diversity Program in a form acceptable to the City outlining how Developer intends to comply with obligations under this Section 3, which must be updated prior to the opening of the Permanent Project and then annually. It should include a detailed buying plan, and Projected Utilization Schedule for the year which must show in which quarter of the upcoming year and to what extent Certified Firms are expected to be utilized, and to the extent practicable, identifying the specific Certified Firms that will be engaged to provide the applicable goods or services.

Additionally, throughout the life of this Agreement, Developer must submit quarterly reports, in a format acceptable to the City, regarding compliance with the goals of this Section 3 as well as participation by local businesses as set forth in Section 7 below, and any other metric related to contracting equity and inclusion or economic impact as the City may reasonably request. With respect to Certified Firm utilization, the quarterly reports must compare the Projected Utilization Schedule with actual utilization.

Developer's quarterly reports shall also include, inter alia, the name and business address of each Certified Firm solicited by to provide goods or services, and the responses received from such solicitation, the name and business address of each Certified Firm actually engaged, a description of the work performed or products or services supplied, the date and amount of such work, product or service, the amount paid, and such other information as may assist the City's monitoring staff in determining Developer's compliance with its commitments. If requested by the Chief Financial Officer, Developer must identify all firms engaged to provide goods or services. Developer shall maintain records of all relevant data with respect to the utilization of Certified Firms in connection with the Project for at least five years after purchase of the applicable goods or completion of the applicable service. The City's monitoring staff shall, upon providing Developer at least ten (10) Business Days' notice, be provided access to records of Developer reasonably requested by such staff to allow the City to review Developer's compliance with its commitment to participation by Certified Firms and the status of any Certified Firm providing goods or services.

Quarterly reports must also include the amount of excluded expenses associated with the provision or maintenance of Gaming Equipment, and upon request of the Chief Financial Officer, the details of such transactions.

If any quarterly reports indicate a shortfall in participation by Certified Firms of greater than 7.5% of the applicable goal, Developer must provide an explanation for the shortfall and make Good Faith Efforts to correct the shortfall. However, if Developer does not reasonably believe that the shortfall will be corrected before the next quarterly report is due and so promptly informs the City, Developer should also provide a detailed Recovery Plan and proposed revised Projected Utilization Schedule, and if the shortfall is not corrected when the next quarterly report is due, a detailed Recovery Plan and revised Projected Utilization Schedule are required.

Developer must also submit an annual summary report no later than a date determined by the Chief Financial Officer containing information about the Developer's Business Diversity Program and its compliance with the goals and plans therein. Information to be provided will include information on expenditure of goods and services from Certified Firms during the prior calendar year, expressed in dollars and percentages, and for each year after the first year, information on progress or changes in the program since the prior year. The report should include information about the construction of the Project if construction of the Temporary Project, Permanent Project, or hotel expansion took place during the prior calendar year.

The City may require submission of reports through electronic means compatible with its contract and business diversity monitoring systems.

4. Counting Certified Firm Participation in Contracting.

Participation by Certified Firms in contracting will be counted following the applicable rules of the Department of Procurement Services for construction work or non-construction work as they may be amended from time to time. However, from time to time the City may establish alternate rules which will be utilized instead, or Developer may propose alternate rules acceptable to Chief Financial Officer.

However, Certified Firms that hold more than one certification may only be counted under one category to demonstrate compliance with the contracting goals set forth in Sections 2.a.and 3.a above. For example, a firm certified as both an MBE and a WBE may only be counted as an MBE or a WBE, but not as both. To be counted, Certified Firms must be performing a commercially useful function as described in 49 CFR 26.55(c)(2).

5. Requests for Reduction or Waiver of Goals

If Developer believes that it will not be possible to correct a shortfall in Certified Firm contract participation, City resident work hours, or SEDA resident work hours due to causes beyond Developer's reasonable control and despite Developer making Good Faith Efforts, it may request that the Chief Financial Officer grant a reduction or waiver of the applicable goal in accordance with the procedures and standards established by the City for goal reduction or waiver requests under the applicable section of MCC Chapter 2-92. The granting of such requests shall be in the sole discretion of the Chief Financial Officer. Requests for reduction or waiver of goals in contracting for goods and services will be granted only on an annual basis.

6. Remedies for Shortfalls.

Because the utilization of MBE, WBE, and other Certified Firms, and the employment of City residents and SEDA residents is essential to the economic vitality of the City, if (1) there is a shortfall in MBE, WBE contract participation or in City resident work hours or SEDA work hours at 100% completion of Temporary Project, at 100% completion of the Permanent Project or at 100% of the hotel expansion, or there is shortfall in Certified Firm participation in the supply of goods and services at the end of any calendar year, and (2) the Developer has not made a convincing showing that it made Good Faith Efforts to correct the shortfall in connection with the construction of the applicable facility or expansion or annual participation goal, then the City will have been harmed in a manner difficult to quantify. Therefore, the Parties agree that in the event of such a shortfall, the following liquidated damages represent a reasonable estimate of the City's damages, and are not a penalty, provided that no liquidated damages will be payable with respect to a shortfall in missing a goal in any calendar year to the extent that at least 92.5% of such goal is met:

i. Shortfall in MBE or WBE participation, construction of Project: the amount of the shortfall, as a percentage of the sum of the final aggregate hard construction costs and architectural design and engineering costs for the Temporary Project, or for the Permanent Project, or for the hotel expansion, as applicable.

ii. Shortfall in City resident or SEDA resident work hours: 1/20 of 1 percent (0.0005) of the sum of the final aggregate hard construction costs for the Temporary Project, or for the Permanent Project, or for the hotel expansion, as applicable per percent shortfall.

iii. Shortfall in Certified Firm participation in the sourcing of goods and services: the amount of the shortfall, as a percentage of the annual overall spending for goods and services. With respect to a shortfall in meeting a goal of the type contemplated in this clause (iii) with respect to a calendar year, liquidated damages shall be payable (except as provided below) promptly two years after the end of such calendar years if Developer does not average at least 92.5% of such goal during the next two calendar years (the "**Succeeding Years**"). Notwithstanding the foregoing such liquidated damages shall be payable immediately if Developer did not meet at least 75% of such goal for such calendar year. Liquidated damages with respect to such goal with respect to either of the Succeeding Years shall be payable promptly after such Succeeding Year.

Any liquidated damages paid to the City under this Exhibit A-2 will be placed into a fund to be utilized for support of the City's contracting equity and workforce development programs, and related uses.

Additionally, to prevent future shortfalls and to help ensure continued compliance with the requirements of this Exhibit A-2 through the life of the Agreement, if there is a shortfall related to the construction of the Project, either in MBE/WBE participation or work hours, or continuing shortfalls in participation of Certified Firms in sourcing of goods and services, the City may require more stringent reporting requirements and engage in stricter oversight than set forth in this Exhibit A-2, which may include, but is not limited to, engagement of an integrity monitor or other experts or consultants at Developer's expense to assist the Chief Financial Officer in monitoring compliance with the contracting and workforce goals, and increasing the frequency and/or detail of reporting.

Furthermore, if there are significant or continuing shortfalls in participation of Certified Firms in construction of the Project or the sourcing of goods and services, or in the work hours of City or SEDA residents, the City may exercise a right of specific performance, an injunction, or any other appropriate equitable remedy, as may be applicable.

7. Local Businesses.

In all contracting related to the Project, both during construction and during operation of the Casino, Developer and Casino Manager must provide a reasonable preference for competitively priced firms, that are, to the extent required by applicable law, qualified by or registered with the Illinois Gaming Board, located or based within the City, and secondarily for firms located within the counties of Cook, DuPage, Kane, Lake, McHenry or Will in the State of Illinois. These preferences should operate similarly to that set forth in MCC 2-92-412 "Contracts – Bid preference for city-based businesses," but Developer may establish alternate preference(s) acceptable to the City, that will serve to encourage local businesses.

8. Independent Venues

Throughout the Term, Developer will engage in good faith discussions with independent venues in the City for the purpose of coordinating the booking of live entertainment events at its Temporary and Permanent Facilities. Developer must report annually to the Chief Financial Officer on its compliance with this section.

9. Monitoring; Transparency

Developer shall at all times designate a management employee to monitor its compliance with the terms set forth in this Exhibit A-2 and in Exhibit A-3, which employee shall meet with the City as requested by the City from time to time to discuss the status of such compliance and any issues relating thereto. In support of the City's commitment to transparency, Developer must comply with City's reasonable requests for redacted versions of any reports to be submitted under this Exhibit that may contain confidential or proprietary business information, suitable for posting on the City website or other public information system of the City.

EXHIBIT A-3

HUMAN RESOURCE HIRING AND TRAINING

From time to time, Developer may amend, modify and revise the policies and procedures provided in this Exhibit A-3 in accordance with good practices in the gaming industry based on operational needs of the business, regulatory requirements, and other commercially reasonable factors. Upon the City's request, Developer will promptly provide the City with copies of Developer's policies and procedures.

A. DEVELOPER'S NEW WORKFORCE COMMITMENTS

1. **Definitions.**

For purposes of Exhibit A-3, the terms defined herein below shall have the following meanings:

"**Minority**" means an individual considered to be a minority pursuant to MCC 2-92-670(n), "Definitions: Minority," as it may be amended from time to time. This includes, but is not limited to: African-Americans, Hispanics, Asian-Americans, and American Indians, as defined by that ordinance.

"**Socio-Economically Disadvantaged Area**" or "**SEDA**" means an area of the City that has been designated as socio-economically disadvantaged by the Commissioner of Planning and Development under authority currently codified under MCC 2-92-390, or as otherwise designated by the City.

"**Veteran**" means a person who has served in the United States armed forces and was discharged or separated under honorable conditions.

"**Woman**" means a person of the female gender, as defined by 20 ILCS 5130/10 of the "Illinois Council on Women and Girls Act."

2. **New Workforce Commitments.**

a. **Construction of Project.**

The Developer will make commercially reasonable efforts so that the construction of the Project will result in the creation of jobs in the construction industry as follows:

- Temporary Project: Approximately 2,900 jobs in the construction industry.
- Permanent Project: Approximately 3,000 jobs in the construction industry.
- Construction of the Hotel Extension: Approximately 2,500 jobs in the construction industry.

Throughout the construction of the Temporary Project, Permanent Project, and Hotel Extension, the Developer must submit certified employment reports disclosing the number of jobs in the construction industry at the Project to the Chief Financial Officer as a part of the Developer's submission of reports required by Exhibit A-2, in such form and detail as the City may require.

b. Operation of Casino.

The Developer will make commercially reasonable efforts so that the operation of the Project will result in employment as follows:

- Operations Commencement (Temporary Project): Approximately 550 operations jobs.
- Operations Commencement (Permanent Project): Approximately 3,000 operations jobs.

Throughout the term of the Agreement Developer will provide reports on employment at the Project in such detail and on such frequency as the City may reasonably request from time to time, but in no event more than four (4) time(s) per year.

3. Workforce Diversity Commitment.

Developer will take commercially reasonable efforts to maintain a target goal of hiring 60% Minorities for operation of the Casino, particularly those who are SEDA residents or residents of zip codes designated as economically disadvantaged, and will target Minorities, women, veterans, individuals with disabilities, individuals who are low-income, and individuals who are unemployed.

Within 180 days of execution of this Agreement, Developer and Casino Manager (if any) must provide a Workforce Development Plan to the Chief Financial Officer, which may be amended from time to time, showing how they intend to accomplish the foregoing goals and comply with the Construction Workforce provisions set forth in Exhibit A-2. Developer shall make commercially reasonable efforts to comply with the Workforce Development Plan, as amended.

Developer will make commercially reasonable efforts to: (1) provide training opportunities to City residents for various roles (e.g. table game dealers and food and beverage); (2) partner with workforce development organizations, which will include organizations such as Black Contractors Owners Executives, Black Men United, Black United Fund of Illinois, Business Leadership Council, City Colleges of Chicago, Chicago Minority Supplier Development Council, Chicago Urban League, Coalition of African American Leaders, HispanicPro, Illinois Restaurant Association, Illinois State Black Chamber of Commerce, Skills for Chicagoland's Future, Washington Heights Workforce Center, West Loop Community Organization, and Women Employed; and (3) host job fairs with the above organizations.

Additionally, Developer will offer advancement opportunities that must at minimum include an internship program, tuition reimbursement, a management development program, and a local college partnership. Developer will also make entry-level semi-skilled positions available to individuals facing barriers, and include on the job training and an evaluation period for employment.

Developer will also work with the City Colleges of Chicago to develop new hospitality programs, and expand existing construction and hospitality apprenticeship programs. Developer will establish, fund, and maintain human resources hiring and training practices.

4. <u>Reporting</u>

Throughout the life of this Agreement, Developer must submit quarterly reports, and an annual summary report, in a format acceptable to the Chief Financial Officer, regarding compliance with the goals of this <u>Exhibit A-3</u>, and any other metric related to workforce equity and inclusion as the City may reasonably request.

B. DEVELOPER'S HUMAN RESOURCE HIRING AND TRAINING PRACTICES

Bally's Corporation has a history of and is a firm believer in funding and maintaining human resource hiring practices that promote the development of a skilled and diverse workforce. As a company, we encourage and highly value access to internal promotion opportunities, as well as a robust workforce development plan that cover all levels within the organization, from interns to senior management.

1. Pillars of Excellence

- Awareness:
    - Provide training to hiring managers to understand diversity and inclusion best practices
- Recruitment and Hiring:
    - Develop effective strategies to recruit and attract a more diverse applicant pool for position vacancies
    - Develop promotional materials that are culturally sensitive and accessible to all target groups
- Inclusion:
    - Promote the development and advancement of underrepresented groups through professional development courses and training
    - Actively create a productive work environment that is free of harassment and bullying
    - Promote policies, practices, and procedures that are inclusive and sensitive to the various cultures within our organization

2. Local Hiring Program

Developer will create a local hiring program with the goal of providing employment opportunities that create alternative job pathways by way of on-the-job training. This program will provide an opportunity to those that face significant barriers to stable employment and further Developer's vision for identifying ways to attract, develop, and sustain an equitable workforce. The program will have two (2) pathways to success:

- Entry level semi-skilled positions – Focused on positions with which minimal educational or experience is required. Positions include, but are not limited to:
    - Administrative Assistant
    - Audit Clerk
    - Payroll Clerk
    - Office Coordinator
    - Front Desk Clerk
    - Housekeeping/EVS Supervisors

  - Slot Attendants
  - Food & Beverage Supervisors
  - Food Server
  - Bartender
  - Cocktail Server
  - Retail Clerk
- Vocational Positions – Focused on entry-level operational position. Positions include, but are not limited to:
  - Environmental Services (EVS)
  - Groundskeeper
  - Room Attendant
  - Valet
  - General Maintenance
  - Warehouse/Receiving

Candidates will have an initial six-month, on-the-job training period (paid, benefits), followed by a six-month probationary period. Once the probationary period is successfully completed, the candidate is transitioned to regular employment status.

Recruiting efforts will be targeted to the following groups:

- Designated zip codes in surrounding neighborhoods – Outreach programs to focus on all ethnicities.
- Minorities – Workplace diversity boosts employee creativity, innovation, decision-making skills, and satisfaction, as well as bolsters Bally's ability to attract elite and diverse talent and promote market growth.
- Partnerships with various minority focused organizations and minority vendors will solidify this initiative.
- Women – Creating a gender-balanced workforce and placing women in leadership roles. Building gender equality and supporting women's rights, education and empowerment are critical to creating shared value and culture.
- Veterans – Partner with organizations for placement of veterans into the civilian workforce. Additionally, Bally's recognizes veterans annually to thank them for their service through appreciation days, luncheon programs and gift offerings.
- Individuals with disabilities – Partnership with organizations for placement of people with disabilities.
- Low-income – Outreach programs focused on low-income residents.
- Unemployed – Partnership with unemployment agencies for job placement.

Developer is committed to:

- Supporting all managers to foster an inclusive workplace.
- Training managers in unconscious bias.
- Enhancing mentoring and sponsorship programs to prepare high-potential women and people of color for senior executive positions.
- Hiring and promoting more women and people of color in senior executive positions.

- Reviewing results with senior leaders to promote gender and racial equity balance and ensure progress.
- Continuing our efforts to champion equal pay and eliminate conditions that create gender and racial equity pay gaps.

3. Internship Program

Bally's corporate internship policy provides direction to managers throughout the organization to enhance the experience our interns garner during their employment. The program has multiple purposes including:

- Providing practical hands-on work experience
- Providing exposure to the work environment, that includes basic skills and understanding
- Providing the opportunity to practice, improve, and evaluate skills, techniques, principles, theories, and knowledge gained through academic experiences
- Applying classroom knowledge to the professional world
- An opportunity to gain experiences in administration and management, organization and supervision, facility maintenance and operation, and observation experiences
- Making academic classes taken after the internship more meaningful
- An opportunity to identify and meet individual goals and objectives
- Increasing self-confidence
- Enabling the student to validate his or her career choice
- Motivating the student to greater achievement in the field, or to be the basis for a decision to make a career change

Bally's is committed to providing interns with a quality experience that involves meaningful activities and the opportunity to learn and gain practical work experience in their chosen field of study and work. Interns are provided with a clearly defined framework of participation and learning and is supervised by a suitable member of leadership, who monitors progress and provides feedback to ensure effective contribution.

Examples of specific learning outcomes that are to be achieved by interns and criteria to evaluate whether these outcomes were achieved are provided below. The assessment is to be undertaken periodically by the departmental manager during the placement.

Specific Learning Outcomes	Assessment Criteria
Explain the purpose of the organization in relation to the area of research	Description in the placement report of the context and purpose of the organization relation to the area of research
Explain the changes (opportunities/challenges) taking place at an organizational level in relation to the area of research	Description and analysis of organizational change, identification of opportunities and challenges within the organization, use of examples to support views
Critically analyze what constitutes best practice at organizational level and draw implications for the organization	Critical assessment of what constitutes good practice for sustainable development within the sector, use of examples of good practice, analysis of such practice, links between practice and theory
Explain and reflect upon the role of leadership within the organization in relation to the area of research	Evidence of observation of leadership in organizations, reflection upon own leadership qualities
Communicate the experience of the placement succinctly and clearly to a variety of audiences	Evidence in writing of accuracy and fluency in internship reports
Reflect upon personal experiences during placement	Articulation of personal reflection, values and feelings about the Company and/or property

4. Tuition Reimbursement Policy

Bally's tuition reimbursement policy is designed to give employees at any level within the organization the opportunity to increase their knowledge and skill set through participation in educational programs which will provide growth opportunities within the organization. The program helps employees contribute to the company by becoming more effective in their current responsibilities as well as preparing for promotional opportunities. As a part of Developer's employee benefit plan, this policy provides an important opportunity for career advancement for its employees. To be eligible to participate in Bally's tuition reimbursement program, the employee:

- Must be a regular, full-time employee at the start of the course
- Must maintain full-time employment to receive reimbursement
- Must have completed twelve (12) months of continuous employment, prior to the start of the course(s)
- Must be in good standing (6 months discipline free) at the start of the course
- Must remain employed and actively working (not on a leave of absence) throughout the duration of the course to be reimbursed
- Must be employed at the time of reimbursement

TUITION REIMBURSEMENT SCHEDULE	Assessment Criteria	
Grade A	Reimbursement will be made for classes in which "A" grades are received. This includes tuition, lab fees and books for courses directly related to your current job or job that you are actively pursuing.	100%
Grade B	Reimbursement will be made for classes in which "B" grades are received. This includes tuition, lab fees and books for courses directly related to your current job or job that you are actively pursuing.	80%
Prerequisite Courses	Reimbursement will be made for general education classes, which are not job-related, but are part of a degree/certificate program. This includes tuition, lab fees and books for classes listed in the course catalogue with an "A", "B" or "C" grade.	50%
Amount	Maximum reimbursement allowed within a calendar year:	$2,500

5. Management Development Program

Bally's is currently in the process of revamping management development across the enterprise. Bally's is engaging with learning and development industry's top vendors to ensure that it is delivering content that meets its people where they are and delivering said content with measurable success. One example of a currently utilized management development program is 'Ambassadors Maximizing their Potential' (AMP) which consists of 12 course offerings, each focusing on practical skills and company management philosophies. This program is offered at Bally's Biloxi, Mississippi property and provides examples of the topics and skills Bally's feels are necessary for supervisory success. These classes were carefully developed and reviewed by the Bally's Corporation human resources department. Bally's covers the travel expenses for employees who apply and are selected for the program.

The instructors for these classes are chosen based on skills, experience and commitment to training. After successfully completing all 12 classes, participants receive a certificate of completion. The key to this program is executing on what the participant has learned and putting it into practice.

The following is an alphabetical list of classes found in the program:

- Business Etiquette
- Business Writing
- Coaching & Counseling
- Departmental Cost Control
- EEOC & Employment Discrimination
- Employee Engagement
- Executive Roundtable
- Guest Engagement
- How to Hire a Rock Star
- Legal Issues of HR
- Overview of HR: Jeopardy Style
- Train the Trainer

Business Etiquette

Course Description
The word "etiquette" gets a bad rap. The concept of etiquette is essential, especially now—and particularly in business. Social media platforms and digital communications tools have blurred the lines of appropriateness and we are all left wondering how to navigate unchartered social territory.

Course Objective
A business expert leads an interactive discussion on the following topics:

- First impressions

- Respect
- Meetings
- Workspace
- Dining
- Social media
- Attire/Appearance

Business Writing

Course Description
This course provides employees guidance when composing memorandums, reports, proposals, and other forms of writing used in organizations to communicate with internal or external audiences.

Course Objective
A professional instructor will discuss the following topics:

- Stating your purpose quickly and easily in documents and emails
- Separating details from actions
- Writing conversationally to engage your readers
- Updating your writing style for today's business environment
- Understanding the rules of email etiquette
- Organizing information to help your readers
- Recognizing and eliminating unnecessary words, phrases and repetition
- Techniques for writing concretely
- Substituting heavy, confusing phrases with simple language
- How strong verbs improve writing
- Identify and avoid masked and passive verb

Coaching & Counseling

Course Description
Every employee can reach higher levels of performance, including your average and best performers. What they need is a manager who can coach: someone who can routinely observe, assess, and interact in ways that develop and maximize their individual effectiveness. This seminar raises manager potential and level of performance to get the most out of your team.

Course Objective
The Employee Relations Manager will discuss the following topics:

- Learning when to coach and when to counsel/discipline
- How to determine the level of discipline
- How to complete a Missed a Beat
- Communicating the message to the Rocker

Departmental Cost Control

Course Description
This course reviews controlling operating and payroll costs through effective planning, staffing, and scheduling.

Course Objective
A member of the finance management team will provide information and skills to successfully control operating expenses, including:

- Understanding departmental operating costs
- Learning scheduling terminology
- Strategies for effective staffing and scheduling
- Reading and interpreting staffing and financial reports

EEOC & Employment Discrimination

Course Description
The U.S. Equal Employment Opportunity Commission (EEOC) is responsible for enforcing federal laws that make it illegal to discriminate against a job applicant or an employee because of the person's race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability or genetic information. It is also illegal to discriminate against a person due to discrimination complaints, filed charges of discrimination, or participation in an employment discrimination investigation or lawsuit.

The laws apply to all types of work situations, including hiring, firing, promotions, harassment, training, wages, and benefits.

Course Objective
This class is provided by the Equal Employment Opportunity Commission (EEOC) and will cover topics such as:

- Title VII
- Harassment
- Discrimination
- Retaliation

Employee Engagement

Course Description
An "engaged employee" is one who is fully involved in, and enthusiastic about their work, and thus will act in a way that furthers the organization's culture and values. This class focuses on how to engage employees as a method of reducing turnover.

Course Objective
This course will involve a discussion on the following topics:

- How engagement affects business outcomes
- People are what sets an organization apart

- To be successful, companies must recruit, engage, and retain top talent

Executive Roundtable

Course Description
Approximately three-to-four executives are present to discuss anything participants would like. Participants are required to send two-to-three questions to the employee relations department five days prior to the course. These questions will then be addressed during the class.

Course Objective
After this roundtable discussion, participants will gain a better perspective of how and why executive decisions are made. Possible discussions may include:

- Global strategy of the business
- The daily tasks of an executive
- Professional advice of an executive
- Tips and tricks of the industry

Guest Engagement

Course Description
This course will be taught by the members of the hotel management team and will discuss the importance of guest service and recovery. They will also explain the various methods in place to measure guest satisfaction (i.e., Trip Advisor, Market Metrix, Guest Surveys, etc.).

Course Objective
After this class, participants will better understand:

- Why we care about the guests' experiences
- How we measure guest satisfaction
- What the guest wants
- Importance of staying in the moment
- Engaged guests spend more money

How to Hire a Rock Star

Course Description
An HR specialist will discuss the employment side of human resources, including the process of opening a position to placing the best rock star into that position.

Course Objective
This course will discuss the following topics:

- The characteristics of an ideal applicant
- How to use the prescreen results to hire a rock star
- Writing a good job description
- Asking legal interview questions

- New hire process from recruiting to induction

Legal Issues of HR

Course Description
The Director of Human Resources will lead participants in a discussion on important HR legal topics, such as HIPAA, at will, FMLA, PT vs FT, FLSA, and many more.

Course Objective
At the conclusion of this class, you will better understand:
- Benefits
- Healthcare Reform
- PTO/Bereavement Leave/Time Records
- HR Processes
- HR Law

Overview of HR: Jeopardy Style

Course Description
This interactive class will review all areas of Human Resources from the basic legal policies to more complex case studies. Participants will play a game - Jeopardy style - and win fabulous prizes.

Course Objective
Participants will leave the class with a better understanding of the following topics:
- Policies & Procedures
- Departmental Situations
- HR Law

Train the Trainer

Course Description
This class will prepare Bally's Corporation Managers to facilitate effective new hire trainings, as well as ongoing training.

Course Objective
After this class, participants will understand:

- There are many different forms of training
- Adults learn differently than children
- Training is a vital component of a manager's role
- Some training is required by law on a regular basis

C. DEVELOPER'S WORKFORCE DEVELOPMENT PLAN

Bally's strength is recruiting, hiring and successfully managing a diverse workforce. Bally's recognizes the value that diversity offers, and it has been critical to our overall success. Across

Bally's casino portfolio, ~45% of its employees are women. Women also make up ~40% of its leadership roles. Similarly, minorities are well represented in these categories by ~45% and ~25%, respectively. Bally's is very familiar working within an environment that is rich with diversity.

1. Chicago Commitment

Developer's goals with respect to hiring various women, minority and underrepresented groups are as follows:

- Women – 45%
- Minorities – 60%
- Veterans – 5%
- Disabled – 5%

Bally's plans to partner with well-respected workforce development non-profits and community-based organizations in Chicago, such as Skills for Chicagoland's Future, Women Employed, Washington Heights Workforce Center and Chicago Urban League (as well as others) to achieve the above stated employment goals.

2. Bally's Affirmative Action and Equal Employment Opportunity Commitment

Bally's has adopted a policy of affirmative action and equal employment opportunity that has continued in order to create an environment that fosters diversity and inclusion. This affirmative action plan has been developed to meet the requirements of Affirmative Action Programs, sex discrimination guidelines, and guidelines on discrimination because of religion or national origin. Bally's Human Resources department has overall responsibility for administering, monitoring and updating plans as outlined in the Affirmative Action Plan. Each member of the management staff is responsible for preventing and/or eliminating any discriminatory practices and assuring that all applicants and employees are afforded the same opportunities.

This affirmative action plan describes the policies, practices and procedures implemented by the Casino to employ and advance at all levels of employment qualified individuals without regard to race, color, religion, sex, age, national origin, disability, veteran status or other protected characteristics. Affirmative action augments Equal Employment Opportunity. An Affirmative Action Program is a set of specific and results-oriented procedures to which Bally's is committed. The procedures move Bally's toward inclusion of minorities and women with requisite skills at all levels in its workforce, and representation of their availability in appropriate labor markets.

Affirmative action requires the use of valid job-related standards in recruitment, hiring, and promotion. Bally's Affirmative Action Plan seeks, in good faith, to identify and remove barriers to Equal Employment Opportunity and to promote access for minorities and women at all levels of its workforce. This plan also covers individuals with a disability, disabled veterans, and others with protected characteristics. This plan outlines the principles established for each department and the Company in improving utilization of employees in protected categories of employees in the workforce. It is our aim to have adequate representation as it relates to all protected categories, including minorities, women, disabled individuals, individuals aged forty (40) and

over, and veterans. This Affirmative Action Plan evaluates the company's initiatives and opportunities to employ and promote minorities and women with requisite skills. This program supports the company's efforts to create a workplace and community that reflect diversity.

3. Construction Work

What makes Chicago an attractive city to operate in is the depth of its workforce. Individuals and organizations with different skill sets, expertise, interests and passions. For Chicagoans to fully realize the economic benefits of this large-scale project, it is important that City residents have priority when it comes to job opportunities. Developer will meet and/or exceed the requirement of 50% of total work hours performed by City residents by hiring and retaining City residents for a large percentage of the workforce and project team both during construction and operations.

4. Operations

While Bally's has a good plan to recruit and hire City residents, it must also work hard to retain them. Employee retention is driven by company culture, and Bally's is proud of its company culture. Employee reviews on sites such as Indeed and Glassdoor, where employees self-select to rate their employer are generally positive. Comments have included:

Nationwide, Bally's has more than 7,500 employees, and our employee retention rate year-over-year is good. For example, during "the Great Resignation" of the last year, our company-wide turnover rate was below 30%, not including COVID-related staff reductions.

Bally's trains, supports and promotes its team members, but most importantly it values their contributions to the company. Engaging team members in operations and decision making encourages teamwork and overall success. Their contributions are recognized through quarterly recognition programs culminating in an annual recognition program. Bally's looks for unique characteristics of each team member to add value to the team, department, and company. The people are truly what make Bally's special, and it anticipates that the Bally's culture found at its sites across the nation will be even greater at its flagship location – Bally's Chicago.

5. Work Hours

Bally's acknowledges that of the 50% work hours provided by city residents, 15.5% should be completed by residents who come from Socially and Economically Disadvantaged Areas. To meet this goal, Bally's will require hiring from the neighborhoods surrounding the site. Developer will deploy grassroots outreach efforts in our neighboring communities. This may include:

- Direct mail pieces to residents within neighboring zip codes about job opportunities
- Door hangers promoting job fairs
- Advertisements on neighborhood transit lines and bus shelters
- Posting on job boards in neighborhood community centers

6. Wealth Building and Increasing Employing in Disadvantaged Communities

Bally's Corporation is dedicated to providing access to programs and services that will allow our team members to achieve both short- and long-term financial goals. Bally's offers a multitude of

ways for team members to build their own personal wealth. From access to the world's largest employee discount network to 401k retirement opportunities and investment consultation, Bally's is vested in the personal success our team members and offers the following to all full-time employees:

- Tuition reimbursement programs
- Supervisory career tracks
- Leadership development programs
- Employee Stock Purchase Plan
- Childcare benefits to curb costs for working parents
- Competitive and robust benefits package
- Extensive employee discount program
- Pre-and post-tax 401k investment options
- Personal financial planning and financial wellness assessments
- Regular employee wellness initiatives

7. Prioritize Hiring of City Residents

Bally's believes it is important for its business to reflect the local community. It will prioritize hiring a local workforce in order to increase employment and expand access to economic opportunities for Chicagoans, as well as ensure an authentic, local experience for its guests. Bally's will partner with community-based organizations, such as Skills for Chicagoland's Future, to develop workforce training and skills development programs, as well as target local recruitment through direct community outreach and engagement.

Specifically, Bally's will:

- Host career fairs exclusively for Chicago residents prior to opening positions to surrounding areas.
- Guarantee an interview to all Chicago residents any time they apply for a job.
- Create an incentive referral program for hiring local applicants.

8. Diverse Workforce

Developer will utilize internal resources, as well as partner with local Chicago community and employment groups to fulfill our goal of creating a diverse workforce at all levels. Internal resources include:

- Host career fairs for Chicago residents, with an emphasis on recruitment from south and west side communities.
- Provide employee referral bonuses.
- Utilize traditional recruitment channels such as transfers of employees, job boards, professional networking, and use of recruiters where necessary.

Bally's has met with key non-profit partners who have agreed to help it achieve and exceed its workforce diversity goals, including the Chicago Urban League and Skills for Chicagoland's Future and many more.

EXHIBIT A-4

PLANS FOR COMPULSIVE BEHAVIOR TREATMENT; PROHIBITING UNDERAGE GAMBLING; PROJECT SECURITY; ATTRACTING NEW BUSINESSES TOURISTS AND VISITORS; USE OF CUSTOMER DATABASES AND IMPLEMENTING THE PROJECT THEME

From time to time, Developer may amend, modify and revise the policies and procedures provided in this Exhibit A-4 in accordance with good practices in the gaming industry based on operational needs of the business, regulatory requirements, and other commercially reasonable factors. Upon the City's request, Developer will promptly provide the City with copies of Developer's policies and procedures.

1. Treatment of Compulsive Behavior Disorders

Parent Company and Developer (collectively for purposes of this Exhibit A-4, "**we**" or "**Bally's**") fully embrace a corporate-driven mission statement focused on a proactive commitment to identify issues and support measures related to problem gambling. We fully acknowledge that gaming and entertainment is our business, and responsible gambling is essential to our reputation, as well as interaction with the community.

We remain steadfast in our efforts to curtail problem gambling by providing educational materials and instituting a program, as noted below, for guests, as well as team members through our websites and on-site at the properties. Bally's has a proven track record of offering guidance to our patrons, and educating our employees, on how to recognize problem gamblers and referring individuals to the Responsible Gaming Helpline, and/or similar mediums, in their respective state(s) for assistance.

Bally's will develop and adhere to the highest level of responsible gaming practices, consistent with the requirements of the Act, Sports Wagering Act, and all rules, regulations and procedures of the Board, and develop a plan consisting of, but not limited to:

- Institute (or join) and provide funding for a Board/Council/Association focused on responsible gaming;
- Maintain existing memberships with the American Gaming Association and the National Council on Problem Gambling to ensure accessibility to problem gaming studies, research and programs;
- Fund relevant, local research on compulsive disorders as directed by the Board/Council/Association;
- Participate in the Responsible Gaming Education Week sponsored annually by the American Gaming Association or successor/equivalent program;
- Mandate that all front-facing team members attend Problem Gambling training, which will be conducted at least once per year, to remain relevant with the ability to recognize problem gamblers;
- Incorporate internal reference procedures for employees;
- Implement a property Problem Gaming Committee consisting of key management and front-facing team members;

- Dedicate a specific budget to support all internal Problem Gambling training and awareness programs; funding will be derived by Developer and will be comparable to those of similarly sized properties in the Parent Company's casino portfolio;
- Adhere to a Self-Exclusion Program that allows an individual to be excluded from the property and from receiving marketing messages (direct mail offers, emails, etc.);
- Several Bally's properties (including Bally's other Illinois property) have executed such programs which can be combined with a Trespass Policy:
- Establish partnerships with area hospitals, colleges, mental health counselors, treatment providers and social workers to create effective strategies to combat problem gambling:
- Promote the Responsible Gaming Program with signage and collateral materials (in multiple languages), including digital messaging, situated throughout the property; and
- Include a Responsible Gaming section on the Casino's website.

2. Ensuring Minors will be Prohibited from Gambling at the Casino

The Casino will have prominent signage throughout the operation indicating that gambling is limited to persons 21-years-of-age or older.

The Casino floor will be partitioned off and only specific entry points will provide access to the gaming floor. Prior to entering the gaming floor, all patrons who appear to be under the age of 35 will be required to provide government issued identification (e.g., driver's license, passport, etc.). The patron's identification will be scanned utilizing Veridocs (or a similarly sophisticated verification system) to ensure that all patrons are 21-years-of-age or older.

We will also regularly update our Veridocs system weekly to ensure that the IGB's Red Flag List is continually up to date. Any match at the security podium will send an alert to the security management offices, as well as to surveillance. These scanners will be located at the security podiums, the players club, cage, slots, tables, and VIP lounge. Before any gaming transaction is completed (e.g., new player card sign-up, comp issue, promotion issue, jackpot payout, check cashing, etc.) all IDs will be scanned at the outlet to ensure the patron is not on the Red Flag List.

Additionally, if a patron attempts to engage in any activity in which they will need to be further identified (e.g., writing a check, registering for credit, registering for players card/promotions/comps, or claiming a W-2 taxable jackpot), the employee at the point of contact will check the player's identification to ensure they are 21 or older and are not Self Excluded.

These efforts will also be extended to our sports wagering and patrons will not be able to register for a sports wagering account if they are under 21.

All gaming employees will be trained to detect and watch for underage gambling at new hire orientation and annually through a mandatory training platform.

The program outlined above is consistent with the operation at Bally's other Illinois property.

3. Providing Security Inside and Surrounding the Project

Security is vital to the successful operations and internal controls of all our properties. We believe that our current internal controls for security at our other Illinois property provides an excellent framework for the area-by-area approach we will take at Bally's Chicago to ensure the safety of our customers, employees and the facility in general (it being understood that we will reevaluate those procedures in light of the needs of Bally's Chicago).

We will establish security department policies and procedures that are consistent with the Act, the Sports Wagering Act, the Illinois Gaming Board's rules and regulations, the Illinois Gaming Board's Minimum Internal Control Standards and, ultimately, what will be Bally's Chicago's System of Internal Controls. We will also coordinate with the Chicago Police Department in an effort to establish methods and protocols to heighten safety in the areas of the Project.

The security department team will include (but not be limited to): Director of Security, Security Manager, Security Shift Supervisor, Security Lead Officer and Security Officer. Roles and responsibilities for each position as follows:

Director of Security

- Reports directly to the General Manager
- Responsible for the overall supervision and management of the security operations
- Exercises direct operational control over all security operations including the establishment of policies and procedures for the security department
- Responsible for training security personnel about the Illinois Gaming Board – Minimum Internal Control Standards and assists in the establishment of additional training programs
- Responsible for formulating, implementing, and enforcing rules and regulations for the Security Department
- Oversees hiring, scheduling, evaluations, suspension and terminations of security personnel
- Reviews all security incident reports
- Provides security incident reports and memorandums to senior management depicting the events affecting security
- Responsible for coordinating policies and procedures concerning security-related issues with local law enforcement (including, when necessary, to assist in the orderly eviction of patrons from the Casino or surrounding area).
- Performs duties and responsibilities associated with the IGB Statewide Voluntary Self-Exclusion Program
- Acts as the System Administrator for the Electronic Key Control System by assigning rights and privileges to each authorized user via access codes and passwords
- Broadest access to sensitive assets and areas out of all personnel in the security department

Security Manager

- Reports directly to the Director of Security
- Responsible for overall supervision and management of security operations in the absence of the Director of Security

- Assists the Director of Security in the hiring, scheduling, evaluations, suspensions, and terminations of security personnel
- Will initiate and review security incident reports in the absence of the Director of Security
- Monitors the operation of the security department during assigned shift ensuring all applicable personnel adhere to the Illinois Riverboat Gambling Act, the Illinois Gaming Board Adopted Rules, and the Illinois Gaming Board – Minimum Internal Control Standards
- Responsible for coordinating security efforts to properly monitor and safeguard the assets of the company
- Perform duties and responsibilities associated with the IGB Statewide Voluntary Self-Exclusion Program
- In the absence of, or when directed by the Director of Security, perform System Administration to the Electronic Key Control System by assigning rights and privileges to each authorized user via access codes and passwords
- Similar access to sensitive assets and areas as Director of Security

Security Shift Supervisor

- Reports directly to the Security Manager
- Responsible for overall supervision and management of the Security operations in the absence of the Director of Security and Security Manager
- Assists the Director of Security and Security Manager in training, scheduling, evaluations and suspensions of security personnel
- Will initiate the review of security incident reports
- Performs duties and responsibilities associated with the IGB Statewide Voluntary Self-Exclusion Program
- Slightly more limited access than the Security Manager

Security Lead Officer

- Reports directly to the Security Shift Supervisor
- Will perform the duties of the Security Shift Supervisor when assigned
- Monitors the operation of the security department ensuring all applicable personnel adhere to the Illinois Riverboat Gambling Act, the Illinois Gaming Board Adopted Rules, and the Illinois Gaming Board – Minimum Internal Control Standards
- Responsible for coordinating security efforts to properly monitor and safeguard the assets of the company
- Assists in training, scheduling, evaluations and suspensions of security personnel
- Supervises security department personnel in accordance with the organizational chart
- Performs duties and responsibilities associated with the IGB Statewide Voluntary Self-Exclusion Program
- Comparable access to Security Shift Supervisor

Security Officer

- Reports directly to the Security Lead Officer
- Responsible for maintaining security throughout the property, ensuring the safety of both patrons and employees
- Responsible for monitoring and safeguarding the assets of the company

- Responsible for the enforcement of rules and procedures in accordance with Illinois Riverboat Gambling Act, the Illinois Gaming Board Adopted Rules, and the Illinois Gaming Board – Minimum Internal Control Standards
- Will initiate and prepare security incident reports
- Escort chips and cash in accordance with procedures
- Collect and transport table game drop boxes to storage area
- Report any irregularities of unusual/suspicious activities to the Security Lead Officer, Security Shift Supervisor during an assigned shift
- Interact with patrons to promote good public relations and ensure continued business
- Ensure accuracy of admissions reporting
- Perform duties and responsibilities associated with the IGB Statewide Voluntary Self-Exclusion Program
- Work in the Control Room when assigned
  - Is the primary communication link between security personnel assigned to the Casino, hotel facility and the grounds (parking lot)
  - Responsible for documentation of transmissions as prescribed
- Comparable access to Security Lead Officer

CONTROL ROOM / CASINO SUPERVISOR

The control room will be located in the back-of-the-house with a Security Officer on duty 24-hours a day. The control room will contain a manual duplicate sensitive key box (which has all the duplicate keys in it), a phone, surveillance cameras, computer, radio system to contact other Casino personnel, surveillance, and a fire alarm announcer panel.

The Illinois Gaming Board Casino Supervisor will immediately be notified of all suspected or confirmed criminal activity and emergencies. The Illinois Gaming Board Casino Supervisor will also be promptly notified of all communication with law enforcement officials and all inquiries made concerning the conduct of a licensee.

FUND TRANSFER CONTROL

During the course of a normal shift, it may be necessary for a Security Officer to escort funds / money transfers from one location to another. It is the Security Officer's main responsibility to protect and provide a safe route of travel for these funds. At a minimum, a Security Officer will be involved in the following internal fund transfers:

- Table fills & credits
- Issuance of table game marker
- Collection, transportation, and count of tips
- Hand pays
- Table game drop box removal and transportation
- Slot bill validator drop box removal & transportation
- Issuance of slot markers
- Redemption kiosk drop or fill

PROCEDURE FOR A POWER FAILURE / SURVEILLANCE CAMERA OUTAGE

Power Failure

In the event the Casino experiences a power loss to the lighting system, the auxiliary power system will automatically be triggered. A security incident report will be completed, and a copy will be forwarded to the Illinois Gaming Board Casino Supervisor/ Agent. The Illinois Gaming Board Casino Supervisor/Agent and surveillance will be immediately notified of power failure, and all gaming activities will cease unless otherwise authorized by IGB Casino Supervisor/Agent. If authorized by IGB Casino Supervisor/Agent and if the auxiliary power system provides sufficient light (e.g. surveillance is able to properly view gaming areas and operations are not interrupted), gaming activities will continue as normal and no additional action as described below is necessary.

If the auxiliary power system does not provide sufficient light to properly view gaming areas, the following procedures will be performed:

- At least one (1) Security Officer will be positioned at the cashier cage on the Casino floor to ensure that all transactions have ceased until power and lighting are resumed;
- At least one (1) Security Officer will be positioned in the pit area and at least (1) Security Officer will be positioned in the poker room area to assist table games and poker room personnel watch their table games and poker tables;
- If the power failure occurs during the (soft) count process, all monies inside the count room will be secured, and the entire count team will be required to exit the count room with security escort; and
- The Security Shift Supervisor and/or Security Lead Officer on duty will assign the remaining Security Officers as needed. Security personnel will provide crowd control, helping to ensure patrons and employees remain calm and do not panic during the power outage.

Dealers will take immediate action to protect the chip trays on the gaming table by placing the table tray lids on open chip trays. A table games supervisor will then lock the table tray lids. In the event of an extended power failure at the discretion of the IGB Casino Supervisor/Agent all incomplete table game bets will be returned to the bettors.

Surveillance Camera Outage

Surveillance personnel will immediately notify the Illinois Gaming Board Casino Supervisor/Agent of a camera outage. A surveillance incident report will be completed, a copy of which will be forwarded to the Illinois Gaming Board Casino Supervisor/Agent.

Upon notification from surveillance that a camera outage has occurred, a Security Officer will respond to the affected area. The responding Security Officer will ensure that all transactions will be stopped until camera coverage is restored or until approval from the Illinois Gaming Board Casino Supervisor/Agent has been given that transactions can continue under Security Officer observation. Should a camera outage affect coverage of the (soft) count room, the count team will secure all monies. When all monies are secure, a Security Officer will escort the count team from the count room and secure the count room.

Enforcement of Gambling Restrictions

It is the primary responsibility of the Security Department to properly enforce the Illinois Gaming Board's policy regarding minors. In accordance with Illinois law, any patron entering

the Casino must be at least 21-years-of-age. A patron under the age of 21 must not make a wager and must not be allowed in Bally's Chicago where gambling is being conducted.

A Security Officer stationed at the admission turnstile area will be responsible for obtaining and verifying the photo identification of each patron who appears to be 35 years of age or under attempting to enter the Casino. Specifically, a Security Officer must approach each patron who appears to be 35-years-of-age or under and request the patron provide a valid government issued photo identification card prior to the patron passing through the admission turnstiles.

The forms of identification accepted by Bally's Chicago will include:

- Driver's License or State Photo Identification Card issued in the United States
- Passport
- U.S. Government issued Military I.D.
- Photo identification cards issued by government entities located within the United States or U.S. territories and possession
- U.S. Government issued Alien Identification Card

If a minor inadvertently gains access to the Casino and is later found in the gaming area, he/she will be escorted by a Security Officer to the security office. The Illinois Gaming Board Casino Supervisor/Agent will be notified of the suspected underage patron by security personnel and a security incident report will be completed. A surveillance photograph will be taken of the underage person and attached to the security incident report. A copy will be forwarded to the Illinois Gaming Board Casino Supervisor/Agent.

If an underage person is observed gaming, or if an underage person is attempting to enter the Casino area unlawfully, local law enforcement authorities must be notified by Security personnel and the underage person will be escorted off the premises. Additionally, the underage person may be charged by local police for criminal trespass or underage gambling.

Security Officers will confiscate an identification card found to be unlawfully altered, fictitious or fraudulent. The confiscated identification card will be given to the Illinois Gaming Board Casino Supervisor/Agent, and a security incident report will be completed. Security will notify the Illinois Gaming Board Casino Supervisor/Agent at the time of the incident.

Firearms Prohibition

The only individuals allowed to carry a weapon on property are as follows:

- Agents of the Illinois Gaming Board
- Illinois State Police
- Peace Officers on duty within their jurisdiction
- Security personnel licensed by the Illinois Gaming Board
- Armored service officers while engaging in daily deposit pick-ups or ATM replenishment
- FBI Agents regardless of duty status

Security Officers assigned to the entrance and exit (admission turnstile area) and the Security Officer assigned to the employee entrance and exit will inspect all packages or suspicious carry bags or any device which might jeopardize the safety of patrons or employees.

Alcohol Beverages and Intoxicated Patrons

Any patron who is suspected of being intoxicated will be prohibited from gambling and will not be served alcohol. The law governing the drinking age is consistent with the gambling age. Bally's Chicago policy regarding the consumption of alcoholic beverage is mandated by the Illinois Liquor Control Laws. Therefore, an employee of Bally's Chicago will not:

- Sell, serve, deliver, allow, or offer for sale, service or delivery of any alcoholic beverage, directly or indirectly, to any person under the age at which a person is authorized to purchase or consume alcoholic beverages in Illinois, or to any person actually or apparently intoxicated; or
- Permit the consumption of any alcoholic beverage by such a person on licensed premises.

A person must be 21-years-of-age or older to legally receive and/or consume alcoholic beverages in the State of Illinois. Enforcement of alcoholic beverage control is primarily the responsibility of the food and beverage department. The security department will assist, however, in the verification of a patron's legal drinking age when requested and will conduct the verification process by requesting a suspected individual present valid identification. Security Officers stationed at the admission turnstile area will be responsible for checking any persons who appear to be showing signs of intoxication. Such individuals may be prevented from entering the gaming area. In each such instance noted above (with the exception of the last), the Illinois Gaming Board Casino Supervisor/Agent on duty will be notified and a security incident report will be initiated by a Security Officer.

Disorderly / Disruptive Patrons

At a minimum, one Security Officer will be present while an individual is being detained or evicted. A female Security Officer or female employee will remain with a female individual in custody until the individual has left the property. A Security Shift Supervisor will be notified prior to any actions taken by a Security Officer to detain a patron. The Security Officer will inform the Security Shift Supervisor of the reasons for detention. Security will notify the Illinois Gaming Board Casino Supervisor/Agent on duty of any person being detained or evicted and the reason for detention or eviction.

A patron may be detained / evicted for the following reasons:

- At the request of an Illinois Gaming Board Casino Supervisor/Agent
- At the request of Casino management (i.e. Manager, Director, or above)
- The individual has disrupted normal business activity
- The individual has acted in a disorderly manner
- A Security Officer has personally witnessed a criminal act by the individual
- The individual committed a criminal act that was witnessed by a patron who is willing to furnish a written statement and testify in court
- The individual accurately and specifically meets the description given by the police or Illinois Gaming Board Agent and has committed a crime
- The individual is in possession of evidence to a crime that has been committed (i.e. stolen property), such as video recording by surveillance
- A suspect attempts to flee upon the Security Officer's approach

A Security Officer may take immediate action in detaining an individual when there is:

- Physical harm to any person(s)
- The obvious theft of personal and/or company property

In a non-accusatory manner, the individual being detained will be advised why they are being detained. A pat down search of detained individuals may be conducted for the protection and safety of the Security Officer. A Security Officer will not perform a pat down search of an individual of the opposite sex. Security Officers will render assistance to any individual in custody, who while in custody, experiences medical problems. A security incident report will be written concerning the incident. Security will notify the following via a security incident report or verbally:

- Illinois Gaming Board Casino Supervisor/Agent on duty
- Key executive management

Trespass Policy

This policy is established to reserve the right to refuse any service to patrons who may have violated any of the following:

- The patron has disrupted normal business activity
- The patron has made threats toward employees or patrons
- A person who has been arrested for a crime against the property
- For procedures for Illinois Gaming Board Statewide Voluntary Self-Exclusion Program refer to Section A under IGB Statewide Voluntary Self-Exclusion Program

In the event a patron has been trespassed, Security will notify the following via a security incident report or verbally:

- IGB Casino Supervisor/Agent on duty
- Key executive management

Emergencies

In the event of an emergency at Bally's Chicago, at a minimum the following procedures must be observed by property personnel. Individuals from Casino management, security, surveillance, IGB Casino Supervisor/Agent, the Chicago Police Department, the Chicago Fire Department and/or other persons as the emergency dictates, must be notified of the event or incident. The situation must be assessed, and personnel must be instructed to act in a reasonable, prudent manner. Assistance must be provided to law enforcement officials as directed. At the scene of an emergency, employees must conduct crowd control, secure the area and/or assist in the evacuation of patrons and other employees. The emergency must be documented on a security incident report. All procedures for specific emergency situations are outlined in the Bally's Chicago security manual prior to opening.

Eviction Procedures

Bally's Chicago reserves the right to evict any patron deemed to be detrimental to the Casino and, in connection with any such eviction, Bally's Chicago will work with the Chicago Police Department as appropriate or necessary to ensure an orderly eviction from the Casino and surrounding area. If an eviction is determined to be necessary, the following will apply:

- Surveillance is notified
- The individual is escorted from the gaming area and, if necessary or appropriate, the surrounding area.

If an arrest occurs after initiating the eviction process, the procedures are:

- Surveillance will be notified

- The individual will be detained until the appropriate law enforcement agency arrives (and may be escorted to the security interview room)
- The security interview room will be in the back-of-the-house and will be equipped with surveillance coverage
- A pat down search may be conducted by a same sex Security Officer
- The arrestee will be detained in an area that allows video recording by surveillance
- A security incident report will be completed, and a copy will be forwarded to the Illinois Gaming Board Casino Supervisor/Agent

4. Attracting New Businesses, Tourists and Visitors to the Area around the Project Site

Bally's does not take a one-size-fits-all approach to marketing properties. Bally's programs and investments are tailored for each market in which we operate, the casino customers and guests we will attract, and our ability to execute on our plans in a manner that is seamless, disciplined, and outcome driven. For our partnership with the City of Chicago, we bring a unique expertise to the project. Along with our history of success in markets across the country, members of our team have had proven results right here in Chicagoland. Our Executive Vice President of Casino Operations & Chief Marketing Officer, as well as the marketing agency we anticipate working with, previously collaborated in building market leadership for the Horseshoe Hammond in Indiana. We will leverage that insight, combined with the best practices of our other properties, to create an efficient and successful marketing plan for Bally's Chicago. We envision the end result will enhance Chicago's position as a world-class destination and further elevate the city on the international stage.

The Bally's Chicago marketing and operational plan is designed to address three areas critical to success:

- 3-Dimensional Customer Acquisition (Marketing and Operations Plan)
    - Optimize marketing channels, player segmentation and geography to drive long-term acquisition and retention.
- Execution Excellence
    - Leverage deep expertise and proven experience to operate a world-class entertainment destination that is woven into the fabric of Chicago.
- Community Engagement and Assimilation
    - Create employment and career opportunities for Chicago residents, support, and visibility for local businesses, and promote Chicago as a world-class entertainment destination.

<u>Advertising</u>

The local/regional advertising campaign utilizing all media forms, including transit, print, broadcast and social, will create an outstanding level of brand awareness in the Chicago market. Bally's Chicago investment in advertising will reap direct benefits to Chicago businesses and drive City of Chicago tax revenue. In the Chicago market, Bally's advertising agency will "buy local" rather than looking to a national representative firm based elsewhere. Bally's will purchase media through local station representatives, partners, and publications to keep those dollars directly in Chicago. Our media channels will reflect the diverse population of the city and infuse media dollars into MBE/WBE-owned groups, LGBTQ-focused media such as The Windy City Times, and other underrepresented stakeholders.

Promotions and Special Events

Bally's builds exciting and rewarding promotions and events at all of its casinos throughout the nation. To drive repeat visitation, Bally's will draw on its operational expertise to successfully program the promotions calendar. With something for everyone, to maximize both our reach and appeal, promotions will range from largescale giveaways to personalized incentives on a frequent basis. In addition to the guidance from our Chicago-based advertising and marketing firm, and our years of experience, we believe that we excel in executing effective promotions and special events by utilizing Chicago's natural appeal. As a result of our omni-channel experience we will be able to design promotions and special events that will attract more than our land-based customers. We have the ability to reach out to the expanded customer base in the interactive space, including the online mobile sports bettors, play-for-free gamers, and in the future, online casino bettors. Therefore, our promotions and events will be marketed across all channels, greatly expanding their effectiveness.

Community Rewards Programs

Bally Rewards is a four-tier loyalty card program that offers the most lucrative rewards in the business. Bally's Chicago loyalty card members will experience the value in their rewards locally, regionally, and nationally. A significant point of differentiation is that Bally's will create a community rewards program where members can redeem their points at local small businesses, as opposed to solely within Bally's Chicago. Our localized rewards program will allow local businesses to participate in Bally Rewards. To stimulate the use of members' rewards at local businesses, a "virtual mall" will be attached to the gift shop where customers can view in real-time what is available at these businesses. This type of partnership will bring value to the customer and revenue to the local business partners.

This unique approach is a win-win for all involved. The casino offers a viable rewards program and local Chicago businesses win from patronage generated by the program. It should be noted that the reward redemption that occurs is not the only benefit. Additional advertising and awareness will be generated and built around the customer basis. This is an expense that the small business could not spend on their own and now they are in front of thousands of Bally's customers.

5. Use of Customer Base to Support the Project

Bally's Chicago will develop a brand advertising and promotions campaign long before opening that is designed to build a strong database of entertainment-seekers and casino customers.

Tiered Card Match Program

This action will require direct participation and result in capturing vital database information before the new facility opens. In addition, Bally's Chicago will advertise a tiered card match program for every customer who plays in Chicagoland. This is a popular and successful initiative that invites players from other casinos to immediately receive a comparable players club card without having to earn status through their play.

Precision Marketing Program

Over time we have developed a proprietary, algorithmic approach to better understand customer behavior as it relates to visitation, and with this information we design offers to reclaim the customers' participation in real time. This is our Precision Marketing program, and it is the foundation of our success in every market in which we operate. Precision Marketing will be installed in Chicago to provide us with customer trip patterns, which will enable us to incentivize and target customers at the right time with the right offer. Bally's will capitalize on our Midwest properties by creating a rewards program to drive those customers to Chicago as an extraordinary reward. While Bally's Chicago casino is growing and moving to its permanent location, customers will be introduced to Bally's omni-channel experience offering mobile sports betting, daily fantasy sports, and free-to-play games. Additionally, all gaming customers within the omni-channel structure will be educated on the Bally's Chicago experience.

VIP Marketing / Player Development

VIP Marketing will be instrumental in promoting Bally's Chicago as a world-class gaming destination and establishing the property as a must-visit for guests seeking a world-class entertainment experience. A significant percentage of gaming revenue comes from only 20% of the customers. Hence, we will deploy a player development team that will build significant VIP relationships providing all of the services desired by high value customers. In addition to what the casino has to offer (restaurants, hotels, promotions, and entertainment), Bally's will leverage the many attractions of the City of Chicago (restaurants, sports, arts and culture and city-wide events) to satisfy the interest of these customers. With Precision Marketing, the player development team will be able to immediately identify changes in customers' trip patterns and enable us to reach out in a very personal and effective manner. Player development representatives will provide 5-star service and a 1:1 approach to ensure the personal experience that our most valued customers expect. Using our proprietary sales tool our representatives will be efficiently reaching the right customers at the right time with the right incentives.

Marketing Point of Diminishing Returns

As a company, our marketing success has been linked to our ability to be agile and think differently than our competition. While many casino companies take a conservative approach to marketing reinvestment, we believe that the best results are achieved through an aggressive marketing strategy. Across our portfolio, we've been able to drive significantly more revenues through marketing to the point of diminishing returns. By adding additional events and targeted offers, we've produced incremental gaming trips from all segments. Bally's has shown a consistent track record of producing above industry results through its strategic marketing approach. Our comprehensive database marketing program builds relationships with our customers. We look to introduce, grow and maintain our guest lifecycle through delivering value with our marketing. We do this at our core through an aggressive promotional calendar that targets different segments, at different times, with unique marketing. We build our customer loyalty through additional offers, events and promotions. By focusing on delivering our customers value we believe this creates the best approach to long term sustainable growth.

6. Implementing the Theme and Targeting Market Segments for the Permanent Project

Theme for the Project is "The Best of Chicago" by highlighting Chicago's building design, arts and culture, sports and food.

- Building Design - Contemporary structure contemplating Chicago's landscape
- Arts & Culture - Approximately 23,000 SF exhibit museum used to showcase immersive rotating exhibits
- Sports - Feature Chicago sports and history exhibits
- Food - Working with Chicago-based chefs, collectives, and restaurateurs such as Erick Williams, Chef and Owner of Virtue Restaurant located in Hyde Park, One-Off Hospitality which is based in Chicago and operates many well-known food and beverage outlets throughout Chicago, and in discussions with Latino restaurant operators

The range of gaming and amenities Bally's Chicago will offer, will attract and excite target market segments ranging in age from 21 – 65+.

- **The Gaming Customer:** Situated in a modern casino atmosphere, gaming-centric customers will be able to find their favorite slot machine or table game or bet on their hometown team.
- **The Entertainer:** For the entertainment seeker, customers will be thrilled to learn that Bally's Chicago is more than another casino.
- **The Foodie:** For those who like to dine out, options will be plentiful including world-class Asian cuisine, a contemporary steakhouse, an immersive sports bar, local fare from James Beard award winning chefs and much more.
- **The Sports Enthusiast:** Visitors can cheer and place bets on their favorite home teams, explore Chicago's sports history through exhibits inspired by Chicago teams.
- **The Fine Arts Crowd:** The exhibition hall will feature a wide variety of rotating exhibitions and permanent installations, including immersive experiences. Visitors will enjoy the world-class architectural flair of Bally's Chicago design from our expansive views of Downtown Chicago and welcoming green space.

Our first approach to developing marketing plans is to garner qualitative research. We will assemble an array of focus groups in Chicagoland to gain insight into the Chicago gaming customer, as well as any existing perceptions of the Bally's brand. This qualitative research will allow us to build out the framework and survey questions for quantitative research. This approach will identify the influential attributes of the Chicagoland casino customer and entertainment-seeker.

EXHIBIT A-6

PLAN FOR RELOCATING OR COMPENSATING EXISTING BUSINESSES

Parent Company is a party to that certain Agreement of Purchase Option and Sale dated as of October 25, 2021, by and between Parent Company, as Purchaser, and IL-777 West Chicago Avenue, LLC ("**Seller**") as Seller (the "**Option Agreement**"). Pursuant to the Option Agreement, Parent Company has the option to purchase, *inter alia,* all of Seller's interest in that certain Lease dated as of July 1, 2013, by and between IL-Freedom Center, LLC, an affiliate of IL-777 West Chicago Avenue, LLC ("**Landlord**"), as landlord, and Chicago Tribune Company, LLC (the "**Tenant**"), as tenant, as amended by that Second Amendment to Lease dated as of August 1, 2014, by and between IL-Freedom Center, LLC, and Chicago Tribune Company, LLC (collectively, and as amended, the "**Lease**").

Pursuant to Article 41 of the Lease (the "**Relocation Provision**"), Parent Company, upon exercising its option under the Option Agreement, has the right, at any time during the term of the Lease, to cause Tenant to relocate to new premises, subject to the terms and conditions of the Lease, including the Relocation Provision.

Parent Company and Developer shall relocate Tenant pursuant to the terms of the Relocation Provision or as otherwise agreed upon by Developer and Tenant.

EXHIBIT A-7

PLANS FOR TRANSPORTATION DEMAND AND SUPPLY MANAGEMENT, TRAFFIC CONTROL MEASURES, PEDESTRIAN INGRESS AND EGRESS, USE OF CITY INFRSTRUCTURE, EVENT TRAFFIC AND PARKING, EMERGENCY ACCESS, ADDRESSING ANY ADDITIONAL BURDENS ON CITY INFRASTRUCTURE, AND MULTI-MODAL TRAFFIC INFRSTRUCTURE

The policies set out below will be formally defined and agreed between the Developer and City through an amended Planned Development (PD) agreement for Project site. From time to time, in cooperation with the City of Chicago Planning Department and Department of Transportation, Developer may amend, modify and revise the policies and procedures provided in this Exhibit A-7 in accordance with good practices in the gaming industry based on operational needs of the business, regulatory requirements, and other commercially reasonable factors. Upon the City's request, Developer will promptly provide the City with copies of Developer's policies and procedures.

1. Definitions.

   For purposes of Exhibit A-7, the terms defined herein below shall have the following meanings:

   "**City**" means the City of Chicago, Illinois, a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois.

   "**CDOT**" means the City of Chicago Department of Transportation.

   "**Developer**" means Bally's Corporation, its successors or assigns as permitted hereunder.

   "**Project**" means, as the case may be, each of, or collectively, the Permanent Project or the Temporary Project.

2. Transportation Infrastructure Improvements. Developer has completed a Traffic Study, which recommends several transportation infrastructure investments . All work proposed in the public way must be designed and constructed in accordance with the Department of Transportation Construction Standards for Work in the Public Way and in compliance with the Municipal Code of the City of Chicago. All new local streets must be designed in accordance with the Department of Transportation Street and Site Plan Design Standards. Dedication of public way for these streets is conditional upon legal recordation after being vetted and approved by the Department of Transportation. Developer, in consultation with CDOT, shall take reasonable efforts to provide necessary infrastructure increased transportation demand related to the Project, including but not limited to the following:
   a. Extension of local streets to be designed and included in the Planned Development:
      i. Extension of Jefferson Street through the Permanent Project site from Grand Avenue to Chicago Avenue.

ii. Construction of connections between Halsted Street and Jefferson Street at Superior Street, Ancona Street, and Erie Street.

b. Installation of new or modernized traffic signal equipment.
   i. Installation of new traffic signals at the intersections formed by the new street extensions as warranted and included in the Planned Development.
   ii. Improvements to existing traffic signal equipment as warranted and included in the Planned Development.

c. Preservation of the horizontal and vertical space necessary to convert the existing Union Pacific railroad corridor to a transitway and trail as proposed in the North Branch Framework Plan.

3. Transportation demand management and traffic control. The Developer, in consultation with CDOT, shall take reasonable efforts to mitigate increased transportation demand to ensure safe multi-modal access to the site. Developer will continue to work with the City to implement a comprehensive traffic management plan, before, during and after construction of the Project, and will regularly review that plan and its effectiveness to ensure continuous improvement of any traffic issues. If requested by the City, Developer shall fund the provision of traffic control officers at intersections surrounding the Project, as well as other key points of entry to the Project site, during peak casino hours on peak days of operations and during special events or as needed.

4. Pedestrian and bicycle ingress/egress within and surrounding the Project.

   a. The Permanent Project site will be fully accessible for pedestrians via an expansive sidewalk network, inviting streetscape, new parks, and an improved Riverwalk.
   b. Developer will provide new on and off-street bicycle infrastructure as directed by CDOT and described in the amended Planned Development.
   c. Bicycle storage facilities will be provided as required in Chapter 17 of the Chicago Municipal Code.
   d. Developer shall install signage to improve pedestrian safety where appropriate, and will incorporate a pedestrian safety plan into the approved site plan for the Permanent Project

5. Upgrades to existing City infrastructure to serve and harmonize with the Project.
   a. Developer anticipates that existing City water, sewer and electric street lighting facilities in place at the Project will have the capacity necessary meet the demand of the Project.
   b. Developer will comply with the City Stormwater Ordinance and, if required by the City, shall provide enhanced stormwater detention for the Project improvements within an approved underground detention facility.
   c. Developer acknowledges and agrees that development of the Project requires coordination with and a commitment to working with City agencies, neighborhood businesses, and residents to mitigate impacts associated with the Project.

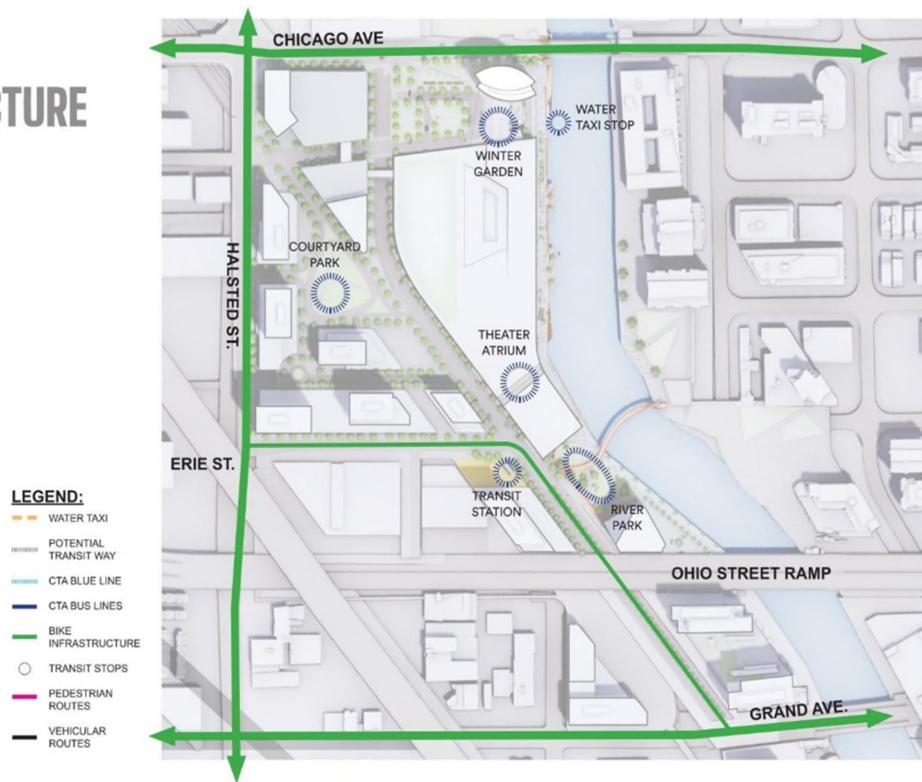
d. The Project includes the design and construction of the public pedestrian Riverwalk along the North Branch of the Chicago River. The Riverwalk will meet the Chicago River Design Guidelines, and other applicable regulations.
e. Developer will construct a public park south of the proposed casino buildings and will integrate the park into the Riverwalk.

6. Accommodating special events and grand opening traffic and parking for the Project. The Developer has expertise in managing large-scale events. The Developer's responsibility is to notify, plan, coordinate, and support City services to ensure the grand opening and any special events do not create a burden for the City or the community and is executed in a manner in which traffic flows safely and creates the best experience for visitors to the Project and the City at large. This will be achieved through detailed planning, a commitment of appropriate resources, and close collaboration with the CPD and other City services.

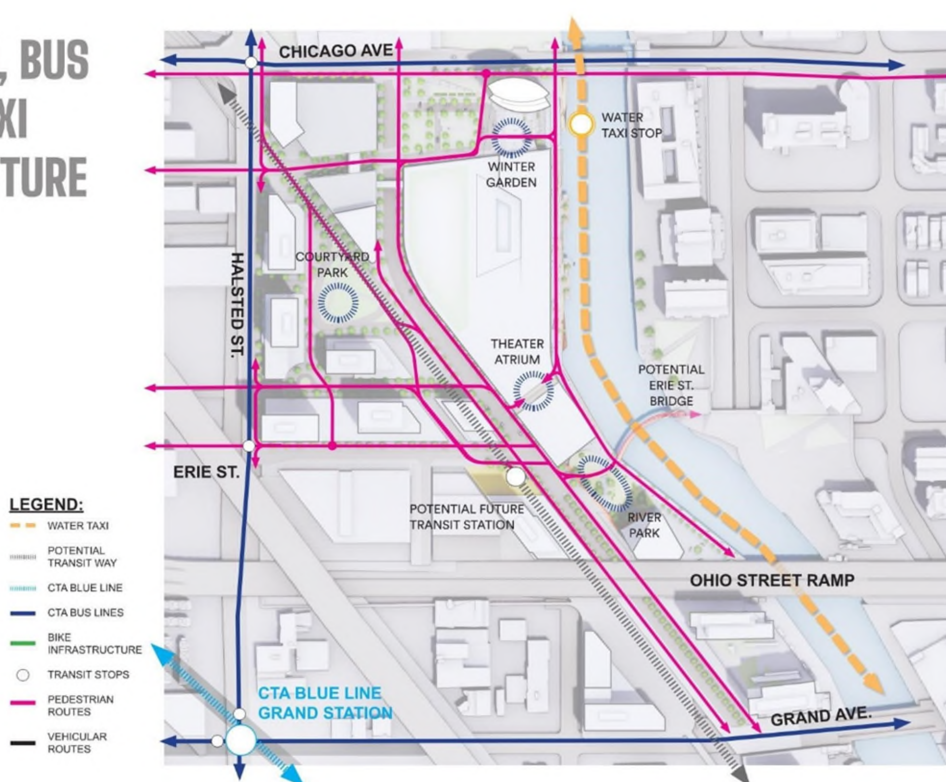
7. Emergency access for police, fire and ambulatory ingress and egress and its emergency operations plan for the Project. The Developer commits to working with all City agencies to ensure efficient and effective emergency access to the Project for all phases of construction and as part of the security operations plan upon opening. Emergency Services access is critical to the health and safety to the patrons and employees and will always be a high priority. Additionally, emergency responder access will be addressed in every special event plan. As a part of the entitlement process, the Developer commits to working with the Chicago Fire Department to obtain an approved site plan which would ensure safe and efficient access of fire and emergency vehicles to and from the Project.

8. Addressing any additional burdens placed on existing City infrastructure. As noted elsewhere in this Exhibit A-7. Developer will address certain existing burdens on City infrastructure to the extent that the same will be mitigated by improvements planned for the Project.

BICYCLE INFRASTRUCTURE



PEDESTRIAN, BUS & WATER TAXI INFRASTRUCTURE



VEHICULAR & PARKING ACCESS

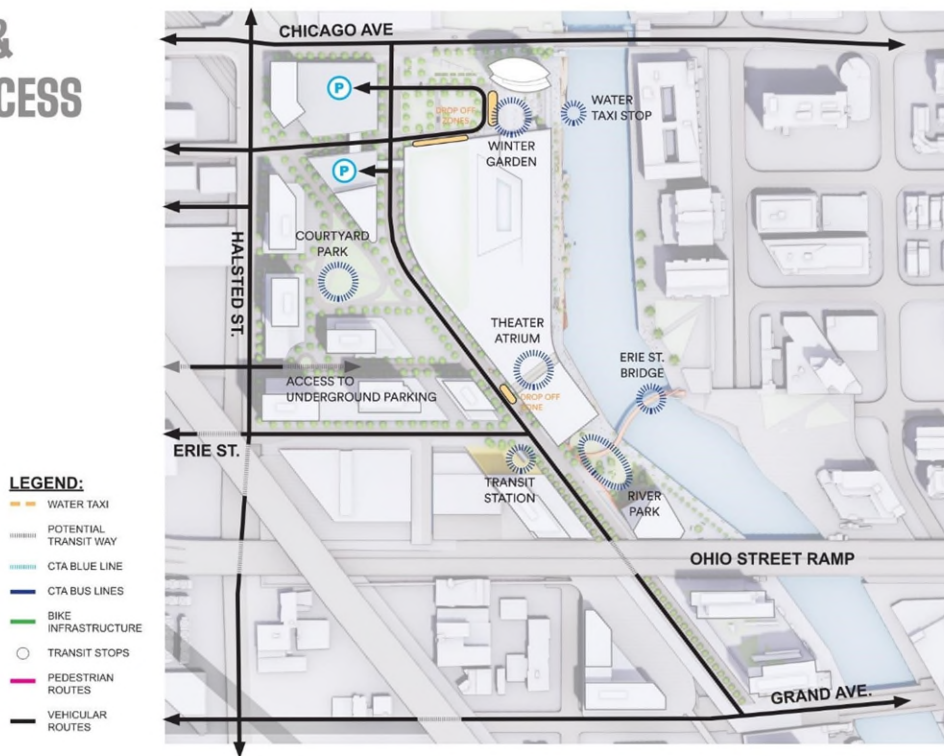


EXHIBIT A-8

OTHER AGREEMENTS

Section 1. Definitions

For purposes of Exhibit A-8, the terms defined herein below shall have the following meanings:

"**Activities**" means all of the obligations undertaken by the Contractor under this Agreement, including designing, building, and operating the Project.

"**Subcontractor**" includes all contractors, suppliers and materialmen of any tier, whether in direct privity or not with the Developer (including without limitation design firms, construction contractors, and the Casino Manager), and which Developer uses to perform the Activities under the Agreement.

"**Subcontracts**" means all oral or written agreements with Subcontractors.

Section 2. Agreements with Subcontractors

(A) Developer shall comply and shall include in all of its agreements entered into in connection with or pursuant to the performance of any acts or obligations under this Agreement a requirement that its Subcontractors comply, with all applicable federal, state, and local laws, codes, regulations, ordinances, executive orders, rules, and orders.

(B) Developer agrees that all of the applicable provisions set forth in this Exhibit will be incorporated in all of its agreements entered into in connection with or pursuant to the performance of any acts or obligations under this Agreement.

(C) Further, Developer shall execute, and shall include in all of its agreements entered into in connection with or pursuant to the performance of any acts or obligations under this Agreement a requirement that its Subcontractors execute, such affidavits and certifications as shall be required by the City setting forth Developer's and its Subcontractor's, as applicable, agreement to comply with all applicable federal, state, and local laws, codes, regulations, ordinances, executive orders, rules, and orders. Such certifications shall be attached and incorporated by reference in the applicable agreements.

(D) In the event that any Subcontractor is a partnership or joint venture, Developer shall also include provisions in its agreement with the Subcontractor ensuring that the entities comprising such partnership or joint venture shall be jointly and severally liable for its obligations thereunder.

(E) Developer has not and will not use the services of any person or entity for any purpose in its performance of Activities under this Agreement, when Developer has actual knowledge (or would have had such knowledge after due inquiry) that such person or entity is ineligible to perform services under this Agreement or in connection with it, as a result of any local, state or federal law, rule or regulation.

Section 3. Disclosures and Licenses

(A) Developer has provided the City with an Economic Disclosure Statement and Affidavit ("**EDS**") for itself and EDSs for all entities with an ownership interest of 7.5 percent or more in Developer, which is attached hereto copies of which have been scanned for viewing on the City's website. Upon request by the City, Developer must further cause its Subcontractors, and proposed transferees (and their respective 7.5 percent owners) to submit an EDS to the City. Developer must provide the City, upon request, a "no change" affidavit if the information in the EDS(s) previously supplied remains accurate, or revised and accurate EDS(s) if the information contained in the EDS(s) has changed. In addition, Developer must provide the City revised and accurate EDS(s) within 30 days of any event or change in circumstance that renders the EDS(s) inaccurate. Failure to maintain accurate EDS(s) on file with the City is an Event of Default.

(B) Developer warrants and covenants that the disclosures made in in its EDS are true and agrees to update its EDS promptly from time to time if they are no longer true.

(C) Developer's EDS contains a certification as required under the Illinois Criminal Code, 720 ILCS 5/33E, and under the Illinois Municipal Code, 65 ILCS 5/8 10 1 et seq. Ineligibility under Section 2-92-320 of the Municipal Code continues for 3 years following any conviction or admission of a violation of Section 2-92-320. For purposes of Section 2-92-320, when an official, agent or employee of a business entity has committed any offense under the section on behalf of such an entity and under the direction or authorization of a responsible official of the entity, the business entity is chargeable with the conduct. If, after Developer enters into a contractual relationship with a Subcontractor, it is determined that Subcontractor is in violation of Section 2-92-320, Developer must immediately cease to use the Subcontractor. All Subcontracts must provide that Developer is entitled to recover all payments made by it to the Subcontractor if, before or subsequent to the beginning of the contractual relationship, the use of the Subcontractor would be violative of this subsection.

(D) Developer must in a timely manner consistent with its obligations under this Agreement, secure and maintain, or cause to be secured and maintained at its expense, the permits, licenses, authorizations and approvals as are necessary under federal, state or local law for Developer and Subcontractors: to construct, operate, use and maintain the Casino; and otherwise to comply with the terms of this Agreement and the privileges granted under this Agreement. Developer must promptly provide copies of any required licenses and permits to the City.

Section 4. Compliance with Laws

(A) Developer must at all times observe and comply with all applicable laws, statutes, ordinances, rules, regulations, court orders and executive or administrative orders and directives of the federal, state and local government, now existing or later in effect (whether or not the law also requires compliance by other parties), including the Americans with Disabilities Act and Environmental Laws, that may in any manner affect the performance of this Agreement

(collectively, "**Laws**"), and must not use the Casino in violation of any Laws or in any manner that would impose liability on the City or Developer under any Laws. Developer must notify the City within ten business days of receiving notice from a competent governmental authority that Developer or any of its Subcontractors may have violated any Laws. Provisions required by any Law to be inserted in this Agreement are deemed inserted in this Agreement whether or not they appear in this Agreement or, upon application by either party, this Agreement will be amended to make the insertion; however, in no event will the failure to insert the provisions before or after this Agreement is signed prevent its enforcement. Without limiting the foregoing, Developer covenants that it will comply with all Laws, including but not limited to the following:

(B) 2014 Hiring Plan Prohibitions

(i) The City is subject to the June 16, 2014 "City of Chicago Hiring Plan" (the "**2014 City Hiring Plan**") entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the 2014 City Hiring Plan prohibits the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(ii) Developer is aware that City policy prohibits City employees from directing any individual to apply for a position with Developer, either as an employee or as a subcontractor, and from directing Developer to hire an individual as an employee or as a subcontractor. Accordingly, Developer must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Developer under this Agreement are employees or subcontractors of Developer, not employees of the City of Chicago. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Developer.

(iii) Developer will not condition, base, or knowingly prejudice or affect any term or aspect of the employment of any personnel provided under this Agreement, or offer employment to any individual to provide services under this Agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Agreement, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

(iv) In the event of any communication to Developer by a City employee or City official in violation of paragraph B above, or advocating a violation of paragraph C above, Developer will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General. Developer will also cooperate with any inquiries by OIG Hiring Oversight.

Section 5. Non Discrimination

(A) Developer for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration of this Agreement, covenants that: (i) no person on the grounds of race, color, or national origin will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination in the use of the Casino; (ii) in the construction of any improvements within the Casino and the furnishing of services in them, no person on the grounds of race, color, or national origin will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination; (iii) Developer will use the Casino in compliance with all other requirements imposed by or under 49 C.F.R. Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as those regulations may be amended; and (iv) Developer shall operate the Casino on a fair, equal, and not illegally discriminatory basis to all users of it, and shall charge fair, reasonable, and nondiscriminatory prices for products (but Developer is allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers or as otherwise commercially reasonable.) In addition, Developer assures that it will comply with all other pertinent statutes, Executive Orders and the rules as are promulgated to assure that no person will, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefitting from federal assistance.

(B) It is an unlawful practice for Developer to, and Developer must at no time: (i) fail or refuse to hire, or discharge, any individual or discriminate against the individual with respect to his or her compensation, or the terms, conditions, or privileges of his or her employment, because of the individual's race, creed, color, religion, sex, age, handicap or national origin; or (ii) limit, segregate, or classify its employees or applicants for employment in any way that would deprive any individual of employment opportunities or otherwise adversely affect his or her status as an employee, because of the individual's race, creed, color, religion, sex, age, handicap or national origin; or (iii) in the exercise of the privileges granted in this Agreement, discriminate or permit discrimination in any manner, including the use of the Casino, against any person or group of persons because of race, creed, color, religion, national origin, age, handicap, sex or ancestry. Developer must post in conspicuous places to which its employees or applicants for employment have access, notices setting forth the provisions of this non-discrimination clause.

(C) Developer must comply with the Civil Rights Act of 1964, 42 U.S.C. § 2000e et seq. (1981), as amended, and to the extent required by the law, must undertake, implement and operate an affirmative action program in compliance with the rules and regulations of the Federal Equal Employment Opportunity Commission and the Office of Federal Contract Compliance, including 14 CFR Part 152, Subpart E. Attention is called to: Exec. Order No. 11,246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. § 2000e note, as amended by Exec. Order No. 11,375, 32 Fed. Reg. 14,303 (1967) and by Exec. Order No. 12,086, 43 Fed. Reg. 46,501 (1978); Age Discrimination Act, 42 U.S.C. §§ 6101 06 (1981); Rehabilitation Act of 1973, 29 U.S.C. §§ 793 94 (1981); Americans with Disabilities Act, 42 U.S.C. § 12101 and 41 CFR Part 60 et seq. (1990)

and 49 CFR Part 21, as amended (the "**ADA**"); and all other applicable federal statutes, regulations and other laws.

(D) Developer must comply with the Illinois Human Rights Act, 775 ILCS 5/1 101 et seq. as amended and any rules and regulations promulgated in accordance with it, including the Equal Employment Opportunity Clause, 5 Ill. Admin. Code §750 Appendix A. Furthermore, Developer must comply with the Public Works Employment Discrimination Act, 775 ILCS 10/0.01 et seq., as amended, and all other applicable state statutes, regulations and other laws..

(i) State of Illinois Equal Employment Opportunity Clause.

In the event of the Developer's non-compliance with the provisions of this Equal Employment Opportunity Clause or the Illinois Human Rights Act, the Developer may be declared ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations, and the contract may be cancelled or voided in whole or in part, and other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulation. During the performance of this contract, the Developer agrees as follows:

a. That Developer will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, marital status, order of protection status, national origin or ancestry, citizenship status, age, physical or mental disability unrelated to ability, military status or an unfavorable discharge from military service (to the extent that such unfavorable discharge is not the result of conduct that would otherwise constitute grounds for refusal of employment under this Agreement); and, further, that he or she will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any underutilization.

b. That, if Developer hires additional employees in order to perform this Agreement or any portion of this Agreement, Developer will determine the availability (in accordance with 44 III. Admin. Code Part 750) of minorities and women in the areas from which Developer may reasonably recruit and Developer will hire for each job classification for which employees are hired in a way that minorities and women are not underutilized.

c. That, in all solicitations or advertisements for employees placed by Developer or on Developer's behalf, Developer will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, sexual orientation, marital status, order of protection status, national origin or ancestry, citizenship status, age, physical or mental disability unrelated to ability, military status or an unfavorable discharge from military service.

d. That Developer will send to each labor organization or representative of workers with which Developer has or is bound by a collective bargaining or other agreement or understanding, a notice advising the labor organization or representative of the Developer's obligations under the Illinois Human Rights Act and 44 III. Admin. Code Part 750. If any labor organization or representative fails or refuses to cooperate with

the Developer in Developer's efforts to comply with the Act and this Part, the Developer will promptly notify the Illinois Department of Human Rights and the City and will recruit employees from other sources when necessary to fulfill its obligations under the contract.

e. That Developer will submit reports as required by 44 III. Admin. Code Part 750, furnish all relevant information as may from time to time be requested by the Illinois Department of Human Rights or the City, and in all respects comply with the Illinois Human Rights Act and 44 III. Admin. Code Part 750.

f. That Developer will permit access to all relevant books, records, accounts and work sites by personnel of the City and the Illinois Department of Human Rights for purposes of investigation to ascertain compliance with the Illinois Human Rights Act and the Illinois Department of Human Rights' Rules and Regulations.

g. That Developer will include verbatim or by reference the provisions of this clause in every subcontract awarded under which any portion of the contract obligations are undertaken or assumed, so that the provisions will be binding upon the subcontractor. The Developer will not utilize any subcontractor declared by the Illinois Human Rights Commission to be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations.

(E) Developer must comply with the Chicago Human Rights Ordinance, sec. 2-160-010 et seq. of the Municipal Code, as amended, and all other applicable City ordinances and rules. Further, Developer must furnish or must cause each of its Subcontractor(s) to furnish such reports and information as requested by the Chicago Commission on Human Relations.

(F) Developer must insert these non-discrimination provisions in any agreement by which Developer grants a right to any person, firm, or corporation to render accommodations and/or services to the public in the Casino. To the extent required by applicable law, Developer must incorporate all of the above provisions in all agreements entered into with any sublicensees, suppliers of materials, furnishers of services, Subcontractors of any tier, and labor organizations that furnish skilled, unskilled and craft union skilled labor, or that may provide any such materials, labor or services in connection with this Agreement, and Developer must require them to comply with the law and enforce the requirements. In all solicitations either by competitive bidding or negotiations by Developer for work to be performed under a Subcontract, including procurements of materials or Licenses of equipment, each potential Subcontractor or supplier must be notified by Developer of the Developer's obligations under this Agreement relative to nondiscrimination.

(G) Developer must permit reasonable access to its books, records, accounts, other sources of information, and its facilities as may be determined by the City or the Federal government to be pertinent to ascertain compliance with the terms of this Section. Developer must furnish to any agency of the Federal or state government or the City, as required, any and all documents, reports and records required by Title 14, Code of Federal Regulations, Part 152, Subpart E, including an affirmative action plan and Form EEO-1.

Section 6. Conflicts of Interest

(A) No member of the governing body of the City or other unit of government and no other officer, employee or agent of the City or other unit of government who exercises any functions or responsibilities in connection with the Activities to which this Agreement pertains is permitted to have any personal interest, direct or indirect, in this Agreement. No member of or delegate to the Congress of the United States or the Illinois General Assembly and no alderman of the City or City employee is allowed to be admitted to any share or part of this Agreement or to any financial benefit to arise from it.

(B) Developer represents that it, and to the best of its knowledge, its Subcontractors, if any (Developer and its Subcontractors being collectively referred to in this Section as "**Contracting Parties**"), presently have no direct or indirect interest that would conflict in any manner or degree with the performance of its Activities under this Agreement.

(C) Further, Contracting Parties must not assign any person having any conflicting interest to perform any Activities under this Agreement or have access to any confidential information.

OTHER PROVISIONS

For purposes of this section, the following definitions shall apply:

"**Contract**" means any agreement or transaction pursuant to which a contractor (i) receives City funds in consideration for services, work or goods provided or rendered, including contracts for legal or other professional services, or (ii) pays the City money in consideration for a license, grant or concession allowing it to conduct a business on City premises, and includes any contracts not awarded or processed by the Department of Procurement Services.

"**Contractor**" means the person to whom a contract is awarded.

As a condition of contract award, Contractor shall, as prescribed by the Chief Procurement Officer, attest by affidavit that Contractor has a policy that conforms to the following requirements:

(1) Contractor shall not screen job applicants based on their wage or salary history, including by requiring that an applicant's prior wages, including benefits or other compensation, satisfy minimum or maximum criteria; or by requesting or requiring an applicant to disclose prior wages or salary, either (i) as a condition of being interviewed, (ii) as a condition of continuing to be considered for an offer of employment, (iii) as a condition of an offer of employment or an offer of compensation, or (iv) as a condition of employment; and

(2) Contractor shall not seek an applicant's wage or salary history, including benefits or other compensation, from any current or former employer.

If Contractor violates the above requirements, Contractor may be deemed ineligible to contract with the City; any contract, extension, or renewal thereof awarded in violation of the above requirements may be voidable at the option of the City. Provided, however, that upon a finding of a violation by Contractor, no contract shall be voided, terminated, or revoked without

consideration by the Chief Procurement Officer of such action's impact on the Contractor's MBE or WBE subcontractors.

(C) Prohibition on Certain Contributions.

No Contractor or any person or entity who directly or indirectly has an ownership or beneficial interest in Contractor of more than 7.5% ("**Owners**"), spouses and domestic partners of such Owners, Contractor's Subcontractors, any person or entity who directly or indirectly has an ownership or beneficial interest in any Subcontractor of more than 7.5% ("**Sub-owners**") and spouses and domestic partners of such Sub-owners (Contractor and all the other preceding classes of persons and entities are together, the "**Identified Parties**"), shall make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to her political fundraising committee during (i) the bid or other solicitation process for this Contract or Other Contract, including while this Contract or Other Contract is executory, (ii) the term of this Contract or any Other Contract between City and Licensee, and/or (iii) any period in which an extension of this Contract or Other Contract with the City is being sought or negotiated.

Contractor represents and warrants that since the date of public advertisement of the specification, request for qualifications, request for proposals or request for information (or any combination of these requests) or, if not competitively procured, from the date the City approached the Contractor or the date the Contractor approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution to the Mayor or to her political fundraising committee.

Contractor shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

The Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Contract, and under any Other Contract for which no opportunity to cure will be granted. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Contract, under Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

For purposes of this provision:

"**Other Contract**" means any agreement entered into between the Contractor and the City that is (i) formed under the authority of MCC Ch. 2-92; (ii) for the purchase, sale or lease of real

or personal property; or (iii) for materials, supplies, equipment or services which are approved and/or authorized by the City Council.

"**Contribution**" means a "political contribution" as defined in MCC Ch. 2-156, as amended.

"**Political fundraising committee**" means a "political fundraising committee" as defined in MCC Ch. 2-156, as amended.

EXHIBIT A-9

MINORITY AND WOMEN OWNERSHIP PROVISIONS

1. Definitions.

For purposes of Exhibit A-9, the terms defined herein below shall have the following meanings:

"**Minority**" means an individual considered to be a minority pursuant to MCC 2-92-670(n), "Definitions: Minority," as it may be amended from time to time, or a "woman" as defined in the Act. This includes, but is not limited to: African-Americans, Hispanics, Asian-Americans, and American Indians, as defined by that ordinance.

"**Minority-Owned and Controlled Business**" means a business that is at least 51 percent owned by one or more Minority persons, or in the case of a publicly-held business, at least 51 percent of all classes of the stock of which is owned by one or more Minority persons, and whose management, policies, major decisions and daily business operations are independently managed and controlled by one or more Minority persons.

2. Ownership of Project.

Developer commits that 25% of the Project equity will be owned by Minority individuals and Minority-Owned and Controlled Businesses no later than twelve months following commencement of the Term or such later date as may be determined by the City, and will continue for no less than five years thereafter. Additionally, Developer shall provide commercially reasonable efforts to locate qualified Minority individuals or Minority-Owned and Controlled Businesses who wish to buy an interest in Developer in an effort to assist any Minority individuals or Minority-Owned and Controlled Businesses who may wish to sell their interest in Developer.

3. Corporate Governance.

40% of seats on the Board will be reserved for Minorities, no later than twelve months following commencement of the Term or such later date as may be determined by the City to allow for Illinois Gaming Board approval, which commitment will continue for the life of the agreement.

EXHIBIT B-1

PERMANENT PROJECT AND PERMANENT PROJECT DESCRIPTION

The Permanent Project will include the following Components:

Location: The location south of W. Chicago Ave. and north of W. Grand Ave, bound by N. Halsted to the West and the Chicago River to the East.

Casino Sq. Ft.: Approximately 168,000 sq. ft. 37,700 sq. ft. admin/support space = 205,700 sq. ft.)

Gaming Positions: 4,000 Gaming Positions will be reserved, such combination of positions will vary depending on player preferences. It is currently anticipated that there will be the following: approximately 3,400 slots, approximately 150 house-banked tables and approximately 20 poker tables.

Sports Wagering: In-person and mobile sports wagering will be available.

Hotel: 100 suites, 500 rooms total, it being understood that initially, Developer commits to building the entire hotel tower including a minimum of 100 guest suites, a rooftop bar, and all necessary infrastructure (hotel core and shell) construction necessary for the additional 400 rooms. Developer will commit to begin construction of the 400-room buildout and operationalization of the remaining floors of the tower or alternative development of the hotel tower space upon reaching an annual trailing 12 months $170 million of EBITDAM threshold but in any case, not later than five years after the opening of the Permanent Project. All hotel suites will be of five-star quality and the 400 remaining guest rooms will be comparable to other high-end luxury hotels.

Convention Space: Approximately 65,000 sq. ft. entertainment and event space.

Entertainment: Approximately 65,000 sq. ft. (approximately 3,000 seat) flexible theater; 2.4-acre greenspace may be used for outdoor events (operated in accordance with the provisions of the Municipal Code of Chicago).

Restaurants: 6 restaurants/cafes and a food hall including:

- Three-Meal Diner (approximately 150 seats)
- Bally Sports Bar (approximately 200 seats)
- Food Hall (approximately 175 seats)
- Asian Restaurant (approximately 50 seats)
- Steakhouse (approximately 150 seats)
- Italian Restaurant (approximately 200 seats)
- Grab-and-Go/Coffee Bar (approximately 20 seats)

Working with Chicago-based chefs, collectives, and restaurateurs such as (but not limited to) Erick Williams, Chef and Owner of Virtue Restaurant located in Hyde Park, One-Off Hospitality which is based in Chicago and operates many well-known food and beverage outlets throughout Chicago and in discussions with Latino restaurant operators.

Bars: 4 bars and lounges

- Casino Bar (TBD seats)
- Cocktail Lounge (approximately 50+ seats)
- VIP Lounge (approximately 60+ seats)
- Rooftop Bar (approximately 100 seats) (includes up to two hidden speakeasies)

Retail: 3,000 sq. ft. in ancillary retail (sundries, souvenirs)

Parking: Approx. 3,300 spaces

- Approx. 2,200 patron spaces
- Approx. 600 employee spaces
- Approx. 500 valet spaces

Other Amenities:

- Fitness center, spa, pool
- Chicago Visitor Center (visitor information center/concierge operated in coordination with Choose Chicago)
- Museum (23,000 sq. ft.) (Exhibits presenting Chicago sports and history may be centered on the Bally Sports Bar identified above, the exhibition space listed here will be dedicated to rotating exhibitions)
- Pool, hot tub, pool adjacent lounge
- A privately constructed and publicly accessible Riverwalk (constructed in accordance to the River Design Guidelines) that extends along the entire length of the planned development, said Riverwalk shall be open to the public at all times during the hours of 6:00 a.m. and 11:00 p.m.

Theme: "The Best of Chicago" and Developer intends to showcase and recognize all of the City's diverse attractions that make it one of the prime tourist destinations.

Sustainability: Developer shall comply with its sustainability goals including constructing the Permanent Project to meet at least LEED Gold standards and meeting at least 125 points within the metrics in the City's Sustainable Development Policy.

EXHIBIT B-2

TEMPORARY PROJECT AND TEMPORARY PROJECT DESCRIPTION

The Temporary Project will include the following Components:

Location: 600 N. Wabash Avenue located at the Medinah Temple.

Casino Sq. Ft.: To be determined, but to utilize Medinah Temple's approximately 28,645 square feet on the ground level, 30,675 square feet on the second level, 30,675 square feet on the third level and 37,817 square feet in the lower level. Allocation of spaces to be determined during design phases.

Gaming Positions: It is currently anticipated that the Temporary Project will include approximately 800 Gaming Positions, with the mix of slots and table games to be determined.

Sports Wagering: In-person and mobile sports wagering will be available.

Entertainment: Pop-up lounge experiences.

Restaurants: 2 restaurants/cafes and a food hall including:

- Restaurant
- Grab-and-Go/Coffee Bar

Bars: 1 bar

- Casino Main Bar (approximately 50 seats)

Retail: TBD sq. ft. in ancillary retail (e.g., sundries, Bally's branded merchandise)

Other Amenities:

- Chicago Visitor Center (visitor information center/concierge operated in coordination with Choose Chicago or a comparable offering)

Theme: "The Best of Chicago" and Developer intends to showcase and recognize all of the City's diverse attractions that make it one of the prime tourist destinations.

EXHIBIT C-1

PERMANENT PROJECT SITE

The Project Site (Permanent) is located at 777 W. Chicago Avenue, Chicago, IL 60610 and is generally bound by the Chicago River to the East, Chicago Avenue to the North, Halsted Street to the West and Grand Avenue to the South.

The legal description of the Project Site (Permanent) is attached.

PROJECT SITE (PERMANENT)

LEGAL DESCRIPTION

PARCEL A:

THAT PART OF BLOCKS 63, 64, 65, 66, 67, 68, 78 AND 79 TOGETHER WITH THE VACATED STREETS AND ALLEYS ADJOINING SAID BLOCKS IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TAKEN AS ONE TRACT AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF LOT 7, IN BLOCK 79 IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO, AFORESAID; THENCE SOUTH ALONG THE WEST LINE OF SAID BLOCK 79, A DISTANCE OF 158.998 FEET; THENCE SOUTH 37 DEGREES 18 MINUTES 35 SECONDS EAST, 23.172 FEET TO THE HEREIN DESIGNATED POINT OF BEGINNING; THENCE CONTINUING SOUTH 37 DEGREES 18 MINUTES 35 SECONDS EAST, 1080.35 FEET TO A POINT ON THE NORTHWESTERLY LINE OF WEST ERIE STREET AS RELOCATED PER DOCUMENT NUMBER 18526682 RECORDED JULY 9, 1962, SAID POINT BEING 173.565 FEET NORTHEASTERLY OF THE SOUTHWEST CORNER OF SAID BLOCK 68, AS MEASURED ALONG SAID NORTHWESTERLY LINE; THENCE NORTH 81 DEGREES 45 MINUTES 28 SECONDS EAST, ALONG SAID NORTHWESTERLY LINE OF WEST ERIE STREET, 256.51 FEET TO THE WESTERLY DOCK LINE (AS NOW BUILT) OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE NORTH 28 DEGREES 30 MINUTES 22 SECONDS WEST, 171.94 FEET; THENCE SOUTH 87 DEGREES 49 MINUTES 27 SECONDS WEST, 6.58 FEET; THENCE NORTH 0 DEGREES 24 MINUTES 48 SECONDS EAST, 521.34 FEET; THENCE NORTH 0 DEGREES 16 MINUTES 43 SECONDS WEST, 288.92 FEET TO ITS POINT OF INTERSECTION WITH THE SOUTH LINE OF WEST CHICAGO AVENUE (SAID SOUTH LINE OF CHICAGO AVENUE BEING 40 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID BLOCK 65); THENCE SOUTH 89 DEGREES 55 MINUTES 16 SECONDS WEST, ALONG SAID SOUTH LINE A DISTANCE OF 558.04 FEET TO A POINT 278.41 FEET EAST OF THE EAST LINE OF NORTH HALSTED STREET, AS MEASURED ALONG THE SOUTH LINE OF WEST CHICAGO AVENUE; THENCE SOUTH 84 DEGREES 06 MINUTES 38 SECONDS WEST, 115.17 FEET TO A POINT 11.66 FEET SOUTH OF AND AT RIGHT ANGLES TO THE SOUTH LINE OF WEST CHICAGO AVENUE AND 163.83 FEET EAST OF THE EAST LINE OF NORTH HALSTED STREET, AS MEASURED ALONG THE SOUTH LINE OF WEST CHICAGO AVENUE; THENCE SOUTH 89 DEGREES 49 MINUTES 11 SECONDS WEST, 107.48 FEET TO A POINT 11.85 FEET SOUTH OF AND AT RIGHT ANGLES TO THE SOUTH LINE OF WEST CHICAGO AVENUE AND 56.35 FEET EAST OF THE EAST LINE OF NORTH HALSTED STREET, AS MEASURED ALONG THE

SOUTH LINE OF WEST CHICAGO AVENUE, THENCE SOUTH 50 DEGREES, 39 MINUTES 51 SECONDS WEST, 55.23 FEET TO A POINT 46.78 FEET SOUTH OF AND AT RIGHT ANGLES TO THE SOUTH LINE OF WEST CHICAGO AVENUE AND 13.65 FEET EAST OF THE EAST LINE OF NORTH HALSTED STREET, AS MEASURED ALONG THE SOUTH LINE OF WEST CHICAGO AVENUE; THENCE SOUTH 0 DEGREES 14 MINUTES 59 SECONDS EAST, 90.65 FEET TO THE HEREINABOVE DESIGNATED POINT OF BEGINNING IN COOK COUNTY, ILLINOIS.

PARCEL B:

THAT PART OF BLOCKS 61, 62 AND 69 IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN AND THAT PART OF LOTS 9 TO 15 BOTH INCLUSIVE, IN WABANSIA, A SUBDIVISION IN AFORESAID SECTION 9, TOGETHER WITH VACATED STREETS AND ALLEYS ADJOINING SAID BLOCKS AND LOTS, ALL TAKEN AS ONE TRACT AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHEASTERLY LINE OF WEST ERIE STREET, AS RELOCATED PER DOCUMENT NUMBER 18526682, SAID POINT BEING 223.81 FEET NORTHEASTERLY OF THE POINT OF INTERSECTION OF SAID SOUTHEASTERLY LINE WITH THE NORTH LINE OF BLOCK 69 AFORESAID (AS MEASURED ON SAID SOUTHEASTERLY LINE); THENCE NORTH 81 DEGREES 45 MINUTES 28 SECONDS EAST, ALONG SAID SOUTHEASTERLY LINE OF RELOCATED WEST ERIE STREET, 246.98 FEET TO THE WESTERLY DOCK LINE (AS NOW BUILT) OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE SOUTH 37 DEGREES 17 MINUTES 57 SECONDS EAST, ALONG SAID WESTERLY DOCK LINE, 48.245 FEET; THENCE SOUTH 51 DEGREES 15 MINUTES 01 SECONDS EAST, ALONG SAID WESTERLY DOCK LINE, 404.08 FEET; THENCE SOUTH 54 DEGREES 34 MINUTES 54 SECONDS EAST, ALONG SAID WESTERLY DOCK LINE, 38.41 FEET TO THE POINT OF INTERSECTION WITH THE NORTH LINE OF THE PARCEL CONVEYED TO THE COUNTY OF COOK PER DOCUMENT NUMBER 16968152, SAID LINE ALSO BEING 74.50 FEET NORTH OF AND PARALLEL WITH THE NORTH LINE OF VACATED WEST OHIO STREET EXTENDED EAST; THENCE NORTH 89 DEGREES 56 MINUTES 12 SECONDS WEST, ALONG SAID NORTH LINE OF THE PARCEL CONVEYED TO THE COOK OF COUNTY, 37.73 FEET TO A POINT, SAID POINT BEING 451 FEET EAST OF THE CENTER LINE OF VACATED NORTH DESPLAINES STREET (AS MEASURED ON SAID PARALLEL LINE); THENCE SOUTH 0 DEGREES 03 MINUTES 48 SECONDS WEST, 7 FEET TO A POINT ON A LINE 67.50 FEET NORTH OF AND PARALLEL WITH THE NORTH LINE OF WEST OHIO STREET EXTENDED EAST; THENCE NORTH 89 DEGREES 56 MINUTES 12 SECONDS WEST, ALONG SAID PARALLEL LINE, 39.03 FEET TO A POINT 411.96 FEET EAST OF THE CENTER LINE OF VACATED NORTH DESPLAINES STREET (AS MEASURED ON SAID PARALLEL LINE); THENCE SOUTH 37 DEGREES 40 MINUTES 27 SECONDS EAST, 155.53 FEET TO THE POINT OF INTERSECTION WITH THE SOUTH LINE OF SAID PARCEL CONVEYED TO THE COUNTY OF COOK, SAID LINE ALSO BEING 24.50 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF VACATED WEST OHIO STREET EXTENDED EAST, AND SAID POINT BEING 507.03 FEET EAST OF THE CENTER LINE OF VACATED NORTH DESPLAINES STREET (AS MEASURED ON SAID

PARALLEL LINE); THENCE SOUTH 89 DEGREES 56 MINUTES 12 SECONDS EAST, ALONG SAID SOUTH AND PARALLEL LINE, A DISTANCE OF 64.94 FEET TO SAID WESTERLY DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE SOUTH 37 DEGREES 07 MINUTES 06 SECONDS EAST, ALONG EXISTING DOCK LINE, A DISTANCE OF 227.31 FEET; THENCE SOUTH 24 DEGREES 48 MINUTES 40 SECONDS EAST, ALONG EXISTING DOCK LINE, A DISTANCE OF 134.495 FEET TO THE NORTHERLY LINE OF WEST GRAND AVENUE AS OPENED PER ORDINANCE ASSESSMENT CONFIRMED OCTOBER 4, 1858; THENCE SOUTH 84 DEGREES 13 MINUTES 57 SECONDS WEST, ALONG SAID NORTHERLY LINE, A DISTANCE OF 410.755 FEET TO A POINT ON THE EAST LINE OF SAID BLOCK 61, SAID POINT BEING 0.21 FEET NORTH OF THE SOUTHEAST CORNER OF BLOCK 61 AFORESAID; THENCE NORTH 37 DEGREES 50 MINUTES 12 SECONDS WEST, 124.95 FEET; THENCE NORTH 35 DEGREES 55 MINUTES 14 SECOND WEST, 43.64 FEET; THENCE NORTH 31 DEGREES 11 MINUTES 11 SECONDS WEST, 73.17 FEET; THENCE NORTH 34 DEGREES 39 MINUTES 25 SECONDS WEST, 72.23 FEET; THENCE NORTH 35 DEGREES 29 MINUTES 36 SECONDS WEST, 50.02 FEET; THENCE NORTH 32 DEGREES 07 MINUTES 06 SECOND WEST, 50.55 FEET; THENCE NORTH 29 DEGREES 59 MINUTES 40 SECONDS WEST, 21.27 FEET TO THE POINT OF INTERSECTION WITH THE SOUTH LINE OF EASEMENT ACQUIRED FOR HIGHWAY PURPOSES FOR HIGHWAY FEEDER AS SHOWN ON PLAT OF SURVEY RECORDED UNDER DOCUMENT NUMBER 17859455, SAID POINT OF INTERSECTION BEING 68.89 FEET (AS MEASURED ALONG SAID SOUTH LINE) EAST OF THE POINT OF INTERSECTION OF SAID SOUTH LINE WITH THE NORTHERLY EXTENSION OF THE WEST LINE OF THE AFORESAID BLOCK 61; THENCE SOUTH 89 DEGREES 57 MINUTES 08 SECONDS EAST, 61.48 FEET, ALONG SAID SOUTH LINE OF AFORESAID EASEMENT TO THE POINT OF INTERSECTION WITH A LINE DRAWN FROM THE HEREINABOVE DESIGNATED POINT OF BEGINNING, TO A POINT ON THE NORTHERLY LINE OF SAID WEST GRAND AVENUE AS OPENED PER ORDINANCE ASSESSMENT CONFIRMED OCTOBER 4,

1858, SAID POINT BEING 80.71 FEET EASTERLY (AS MEASURED ALONG SAID NORTHERLY LINE) OF THE EAST LINE OF SAID BLOCK 61; THENCE NORTH 37 DEGREES 18 MINUTES 05 SECONDS WEST ALONG THE LAST DESCRIBED LINE, A DISTANCE OF 496.97 FEET TO THE AFORESAID SOUTHEASTERLY LINE OF WEST ERIE STREET AND THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL C:

THAT PART OF BLOCKS 61, 62 AND 69 TOGETHER WITH THE VACATED STREETS AND ALLEYS ADJOINING SAID BLOCKS IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TAKEN AS ONE TRACT AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF BLOCK 69 AFORESAID; THENCE SOUTH 38 DEGREES 33 MINUTES 12.5 SECONDS EAST, ALONG THE WESTERLY TERMINUS OF VACATED NORTH DESPLAINES STREET PER DOCUMENT NUMBER 9426724, A DISTANCE OF 128.04 FEET TO A POINT WHICH IS 420 FEET SOUTH OF THE

NORTHWEST CORNER OF SAID BLOCK 62; THENCE SOUTH 89 DEGREES 53 MINUTES 20 SECONDS EAST, 7.22 FEET ALONG A LINE PARALLEL WITH THE SOUTH LINE OF SAID BLOCK 61; THENCE SOUTH 37 DEGREES 27 MINUTES 51 SECONDS EAST, 175.725 FEET; THENCE SOUTH 38 DEGREES 22 MINUTES 20 SECONDS EAST, 50.92 FEET; THENCE SOUTH 41 DEGREES 35 MINUTES 58 SECONDS EAST, 50.47 FEET; THENCE SOUTH 43 DEGREES 55 MINUTES 53 SECONDS EAST, 59.065 FEET; THENCE SOUTH 38 DEGREES 55 MINUTES 51 SECONDS EAST, 52.635 FEET TO THE POINT OF INTERSECTION WITH THE SOUTH LINE OF SAID BLOCK 61, SAID POINT OF INTERSECTION BEING 254.41 FEET EAST OF THE SOUTHWEST CORNER OF SAID BLOCK, AS MEASURED ALONG SAID SOUTH LINE; THENCE SOUTH 89 DEGREES 53 MINUTES 20 SECONDS EAST, ALONG SAID SOUTH LINE OF BLOCK 61, A DISTANCE OF 63.55 FEET TO THE SOUTHEAST CORNER OF SAID BLOCK; THENCE NORTH 0 DEGREES 14 MINUTES 28 SECONDS EAST, ALONG THE EAST LINE OF SAID BLOCK 61, A DISTANCE OF 0.21 FEET; THENCE NORTH 37 DEGREES 50 MINUTES 12 SECONDS WEST, 124.95 FEET; THENCE NORTH 35 DEGREES 55 MINUTES 14 SECONDS WEST, 43.64 FEET; THENCE NORTH 31 DEGREES 11 MINUTES 11 SECONDS WEST, 73.17 FEET; THENCE NORTH 34 DEGREES 39 MINUTES 25 SECONDS WEST, 72.23 FEET; THENCE NORTH 35 DEGREES 29 MINUTES 36 SECONDS WEST, 50.02 FEET; THENCE NORTH 32 DEGREES 07 MINUTES 06 SECONDS WEST, 50.55 FEET; THENCE NORTH 29 DEGREES 59 MINUTES 40 SECONDS WEST, 21.27 FEET TO THE POINT OF INTERSECTION WITH THE SOUTH LINE OF EASEMENT ACQUIRED FOR HIGHWAY PURPOSES FOR HIGHWAY FEEDER AS SHOWN ON PLAT OF SURVEY RECORDED UNDER DOCUMENT NUMBER 17859455, SAID POINT OF INTERSECTION BEING 68.89 FEET (AS MEASURED ALONG SAID SOUTH LINE) EAST OF THE POINT OF INTERSECTION OF SAID SOUTH LINE WITH THE NORTHERLY EXTENSION OF THE WEST LINE OF THE AFORESAID BLOCK 61; THENCE SOUTH 89 DEGREES 57 MINUTES 08 SECONDS EAST, 61.48 FEET, ALONG SAID SOUTH LINE OF AFORESAID EASEMENT TO THE POINT OF INTERSECTION WITH A LINE DRAWN FROM A POINT ON THE SOUTHEASTERLY LINE OF WEST ERIE STREET AS RELOCATED PER DOCUMENT NUMBER 18526682, SAID POINT BEING 223.81 FEET NORTHEASTERLY OF THE POINT OF INTERSECTION OF SAID SOUTHEASTERLY LINE WITH THE NORTH LINE OF BLOCK 69 AFORESAID (AS MEASURED ON SAID SOUTHEASTERLY LINE), TO A POINT ON THE NORTHERLY LINE OF WEST GRAND AVENUE AS OPENED PER ORDINANCE ASSESSMENT CONFIRMED OCTOBER 4, 1858, SAID POINT BEING 80.71 FEET EASTERLY (AS MEASURED ALONG SAID NORTHERLY LINE) OF THE EAST LINE OF SAID BLOCK 61; THENCE NORTH 37 DEGREES 18 MINUTES 05 SECONDS WEST, ALONG THE LAST DESCRIBED LINE, A DISTANCE OF 346.97 FEET; THENCE SOUTH 52 DEGREES 41 MINUTES 55 SECONDS WEST, 45.10 FEET; THENCE NORTH 37 DEGREES 18 MINUTES 05 SECONDS WEST, 175.07 FEET TO THE POINT OF INTERSECTION WITH SAID SOUTHEASTERLY LINE OF WEST ERIE STREET, THENCE SOUTH 81 DEGREES 45 MINUTES 28 SECONDS WEST, ALONG SAID SOUTHEASTERLY LINE 115.27 FEET TO THE POINT OF INTERSECTION WITH A LINE 25 FEET SOUTHWEST OF AND PARALLEL WITH, AS MEASURED PERPENDICULARLY THERETO, THE CENTER LINE OF THE CHICAGO AND NORTHWESTERN RAILWAY COMPANY'S I.C.C. SPUR TRACK NO. 44; THENCE SOUTH 37 DEGREES 25 MINUTES 17 SECONDS EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 328.44 FEET, TO A

POINT ON THE NORTH LINE OF THE SOUTH 67.50 FEET OF SAID BLOCK 69; THENCE NORTH 89 DEGREES 56 MINUTES 12 SECONDS WEST, ALONG SAID NORTH LINE A DISTANCE OF 56.76 FEET TO A POINT WHICH IS 112.02 FEET (AS MEASURED ALONG SAID NORTH LINE) WEST OF THE EAST LINE OF SAID BLOCK 69; THENCE SOUTH 37 DEGREES 17 MINUTES 32 SECONDS EAST, A DISTANCE OF 84.92 FEET TO THE POINT OF INTERSECTION WITH THE SOUTH LINE OF SAID BLOCK 69, SAID POINT OF INTERSECTION BEING 60.57 FEET WEST OF THE HEREINABOVE DESIGNATED PLACE OF BEGINNING AS MEASURED ALONG SAID SOUTH LINE OF BLOCK 69; THENCE SOUTH 89 DEGREES 56 MINUTES 12 SECONDS EAST, ALONG SAID SOUTH LINE 60.57 FEET TO THE POINT OF BEGINNING IN COOK COUNTY, ILLINOIS; (EXCEPTING THEREFROM THAT PART FALLING IN PARCEL C OF THE DEED FROM CHICAGO AND NORTHWESTERN TRANSPORTATION COMPANY TO CHICAGO TRIBUNE COMPANY RECORDED MAY 29, 1980 AS DOCUMENT 25470402 - PARCEL P HEREIN AND EXCEPTING THEREFROM ALL THAT PART AND PORTION WHICH LIES BELOW FROM A PLANE 32 FEET ABOVE CHICAGO CITY DATUM).

PARCEL D:

THAT PART OF BLOCK 61 TOGETHER WITH THAT PART OF VACATED ALLEYS ADJOINING SAID BLOCK IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TAKEN AS ONE TRACT AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID BLOCK 61; THENCE NORTH 0 DEGREES 06 MINUTES 15 SECONDS EAST, ALONG THE WEST LINE OF SAID BLOCK, 300.15 FEET TO A POINT WHICH IS 420 FEET SOUTH OF THE NORTHWEST CORNER OF BLOCK 62 IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN SECTION 9 AFORESAID; THENCE SOUTH 89 DEGREES 53 MINUTES 20 SECONDS EAST, 7.22 FEET ALONG A LINE PARALLEL WITH THE SOUTH LINE OF SAID BLOCK 61; THENCE SOUTH 37 DEGREES 27 MINUTES 51 SECONDS EAST, 175.725 FEET; THENCE SOUTH 38 DEGREES 22 MINUTES 20 SECONDS EAST, 50.92 FEET; THENCE SOUTH 41 DEGREES 35 MINUTES 58 SECONDS EAST, 50.47 FEET; THENCE SOUTH 43 DEGREES 55 MINUTES 53 SECONDS EAST, 59.065 FEET; THENCE SOUTH 38 DEGREES 55 MINUTES 51 SECONDS EAST, 52.635 FEET TO THE POINT OF INTERSECTION WITH THE SOUTH LINE OF SOUTH BLOCK 61, SAID POINT OF INTERSECTION BEING 254.41 FEET (AS MEASURED ALONG SAID SOUTH LINE) EAST OF THE HEREINABOVE DESIGNATED PLACE OF BEGINNING; THENCE NORTH 89 DEGREES 53 MINUTES 20 SECONDS WEST, 254.41 FEET ALONG SAID SOUTH LINE, BEING ALSO THE NORTH LINE OF WEST GRAND AVENUE, TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL E:

THAT PART OF BLOCK 69 TOGETHER WITH THAT PART OF ADJOINING VACATED WEST ERIE STREET IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHEASTERLY LINE OF WEST ERIE STREET AS RELOCATED PER DOCUMENT NUMBER 18526682, SAID POINT BEING 223.81 FEET NORTHEASTERLY OF THE POINT OF INTERSECTION OF SAID SOUTHEASTERLY LINE WITH THE NORTH LINE OF BLOCK 69 AFORESAID (AS MEASURED ALONG SAID SOUTHEASTERLY LINE); THENCE SOUTH 37 DEGREES 18 MINUTES 05 SECONDS EAST ALONG A LINE DRAWN FROM THE HEREINABOVE DESIGNATED POINT OF BEGINNING, TO A POINT ON THE NORTHERLY LINE OF WEST GRAND AVENUE AS OPENED PER ORDINANCE ASSESSMENT CONFIRMED OCTOBER 4, 1858, SAID POINT BEING 80.71 FEET (AS MEASURED ALONG SAID NORTHERLY LINE) EASTERLY OF BLOCK 61 IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN SECTION 9, AFORESAID, A DISTANCE OF 150 FEET; THENCE SOUTH 52 DEGREES 41 MINUTES 55 SECONDS WEST 45.10 FEET; THENCE NORTH 37 DEGREES 18 MINUTES 05 SECONDS WEST, 175.07 FEET TO THE POINT OF INTERSECTION WITH SAID SOUTHEASTERLY LINE OF RELOCATED WEST ERIE STREET; THENCE NORTH 81 DEGREES 45 MINUTES 28 SECONDS EAST ALONG SAID SOUTHEASTERLY LINE OF RELOCATED WEST ERIE STREET, 51.59 FEET TO THE HEREINABOVE DESIGNATED POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS; (EXCEPTING THEREFROM THAT PART FALLING IN PARCEL C OF THE DEED FROM CHICAGO AND NORTHWESTERN TRANSPORTATION COMPANY TO CHICAGO TRIBUNE COMPANY RECORDED MAY 29, 1980 AS DOCUMENT 25470402 - PARCEL P HEREIN AND EXCEPTING THEREFROM ALL THAT PART AND PORTION WHICH LIES BELOW AN INCLINED PLANE WHICH IS 32 FEET ABOVE CHICAGO CITY DATUM ALONG THE SOUTHEASTERLY LINE OF THE PREMISES IMMEDIATELY HEREINABOVE DESCRIBED AND 26.80 FEET ABOVE CHICAGO CITY DATUM ALONG A LINE WHICH IS PARALLEL WITH AND 150 FEET DISTANCE NORTHWESTERLY MEASURED AT RIGHT ANGLES FROM SAID SOUTHEASTERLY LINE OF SAID PREMISES AND A HORIZONTAL PLANE WHICH IS 26.80 FEET ABOVE CHICAGO CITY DATUM AND NORTHWESTERLY OF SAID NORTHWESTERLY PARALLEL LINE TO THE SOUTHEASTERLY LINE OF SAID RELOCATED WEST ERIE STREET).

PARCEL F:

THAT PART OF BLOCKS 68, 77 AND 78, TOGETHER WITH THAT PART OF THE VACATED STREETS AND ALLEYS ADJOINING SAID BLOCKS IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TAKEN AS ONE TRACT AND DESCRIBED AS FOLLOWS::

BEGINNING AT THE SOUTHWEST CORNER OF SAID BLOCK 77; THENCE NORTH 0 DEGREES 00 MINUTES 00 SECONDS EAST, ALONG THE EAST LINE OF NORTH HALSTED STREET, 464.44 FEET TO A POINT WHICH IS 556.74 FEET SOUTH (AS MEASURED ALONG SAID EAST LINE OF HALSTED STREET) OF THE SOUTH LINE OF WEST CHICAGO AVENUE (SAID SOUTH LINE OF CHICAGO AVENUE BEING 40 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF BLOCK 79 IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN SECTION 9 AFORESAID): THENCE NORTH 3 DEGREES 18 MINUTES 38 SECONDS EAST, ALONG THE EASTERLY LINE OF PERMANENT EASEMENT GRANTED TO CITY OF CHICAGO PER DOCUMENT

NUMBER 20408926, A DISTANCE OF 255.66 FEET TO A POINT 14.76 FEET EAST OF AND AT RIGHT ANGLES TO THE EAST LINE OF HALSTED STREET AFORESAID AND 301.57 FEET SOUTH (AS MEASURED ALONG SAID EAST LINE OF HALSTED STREET) OF THE SOUTH LINE OF WEST CHICAGO AVENUE (SAID SOUTH LINE OF CHICAGO AVENUE BEING 40 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID BLOCK 79); THENCE NORTH 0 DEGREES 14 MINUTES 59 SECONDS WEST, 60.05 FEET; THENCE SOUTH 26 DEGREES 47 MINUTES 46 SECONDS EAST, A DISTANCE OF 145.39 FEET TO THE POINT OF INTERSECTION WITH A LINE 650 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID BLOCK 77, SAID POINT ALSO BEING 80.23 FEET EAST OF THE EAST LINE OF SAID EAST LINE OF NORTH HALSTED STREET AND 25 FEET SOUTHWESTERLY OF (BY RIGHT ANGLES MEASURE) THE CENTER LINE OF CHICAGO NORTHWESTERN RAILWAY COMPANY'S I.C.C. SPUR TRACK NO. 44; THENCE SOUTH 25 DEGREES 29 MINUTES 17 SECONDS EAST, ALONG A LINE 25 FEET SOUTHWESTERLY OF AND PARALLEL WITH SAID CENTER LINE OF SPUR TRACK NO. 44, A DISTANCE OF 29.87 FEET TO A POINT OF TANGENCY WITH A CURVED LINE; THENCE SOUTHEASTERLY ALONG SAID CURVED LINE CONVEX TO THE SOUTHWEST HAVING A RADIUS OF 2415 FEET, A DISTANCE OF 502.99 FEET; THENCE SOUTH 37 DEGREES 25 MINUTES 17 SECONDS EAST, ALONG A LINE 25 FEET SOUTHWESTERLY OF AND PARALLEL WITH THE CENTER LINE OF SPUR TRACK NO. 44 AFORESAID, A DISTANCE OF 245.14 FEET TO A POINT ON THE NORTHWESTERLY LINE OF WEST ERIE STREET, AS RELOCATED PER DOCUMENT NUMBER 18526682 RECORDED JULY 9, 1962; THENCE SOUTH 81 DEGREES 45 MINUTES 28 SECONDS WEST, ALONG SAID NORTHWESTERLY LINE OF ERIE STREET, 6.84 FEET TO THE SOUTHWEST CORNER OF SAID BLOCK 68; THENCE NORTH 89 DEGREES 57 MINUTES 08 SECONDS WEST, ALONG THE SOUTH LINE OF SAID BLOCK 77 AND ITS EASTERLY EXTENSION, A DISTANCE OF 497.42 FEET TO THE SOUTHWEST CORNER OF SAID BLOCK 77 AND POINT OF BEGINNING IN COOK COUNTY, ILLINOIS.

PARCEL G:

THAT PART OF BLOCKS 68, 77, 78 AND 79, TOGETHER WITH THE VACATED STREETS AND ALLEYS ADJOINING SAID BLOCKS IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TAKEN AS ONE TRACT AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF LOT 7, IN BLOCK 79 AFORESAID, THENCE SOUTH ALONG THE WEST LINE OF SAID BLOCK 79 A DISTANCE OF 158.998 FEET; THENCE SOUTH 37 DEGREES 18 MINUTES 35 SECONDS EAST, 106.14 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 0 DEGREES 14 MINUTES 59 SECONDS EAST, 138.012 FEET TO THE POINT OF INTERSECTION WITH A LINE DRAWN FROM A POINT WHICH IS 650 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 77, AND 80.23 FEET EAST OF THE WEST LINE OF BLOCK 78 AFORESAID TO A POINT ON THE WEST LINE OF BLOCK 79 AFORESAID, 212.863 FEET SOUTH OF THE SOUTH LINE OF WEST CHICAGO AVENUE (SAID SOUTH LINE OF CHICAGO AVENUE BEING A LINE 40 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID BLOCK 79); THENCE SOUTH 26 DEGREES 47 MINUTES 46 SECONDS EAST, ALONG THE LAST DESCRIBED

LINE, A DISTANCE OF 33.68 FEET, TO THE POINT OF INTERSECTION WITH A LINE 650 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID BLOCK 77, SAID POINT BEING ALSO 80.23 FEET EAST OF THE EAST LINE OF NORTH HALSTED STREET AND 25 FEET SOUTHWESTERLY OF (BY RIGHT ANGLES MEASURE) THE CENTER LINE OF THE CHICAGO NORTHWESTERN RAILWAY COMPANY'S I.C.C. SPUR TRACK NO. 44; THENCE SOUTH 25 DEGREES 29 MINUTES 17 SECONDS EAST, ALONG A LINE 25 FEET SOUTHWESTERLY OF AND PARALLEL WITH SAID CENTER LINE OF SPUR TRACK NO. 44, A DISTANCE OF 29.87 FEET TO A POINT OF TANGENCY WITH A CURVED LINE; THENCE SOUTHEASTERLY ALONG SAID CURVED LINE CONVEX TO THE SOUTHWEST HAVING A RADIUS OF 2415 FEET, A DISTANCE OF 502.99 FEET; THENCE SOUTH 37 DEGREES 25 MINUTES 17 SECONDS EAST, ALONG A LINE 25 FEET SOUTHWESTERLY OF AND PARALLEL WITH THE CENTER LINE OF SPUR TRACK NO. 44 AFORESAID, A DISTANCE OF 245.14 FEET TO A POINT ON THE NORTHWESTERLY LINE OF WEST ERIE STREET, AS RELOCATED PER DOCUMENT NUMBER 18526682 RECORDED JULY 9, 1962; THENCE NORTH 81 DEGREES 45 MINUTES 28 SECONDS EAST, ALONG SAID NORTHWESTERLY LINE OF ERIE STREET, 115.42 FEET; THENCE NORTH 37 DEGREES 18 MINUTES 35 SECONDS WEST, 150 FEET, THENCE NORTH 52 DEGREES 41 MINUTES 25 SECONDS EAST, A DISTANCE OF 45.16 FEET TO THE POINT OF INTERSECTION WITH A LINE DRAWN FROM THE HEREINABOVE POINT OF BEGINNING, TO A POINT ON SAID NORTHWESTERLY LINE OF WEST ERIE STREET AS RELOCATED PER DOCUMENT NUMBER 18526682, SAID POINT BEING 173.565 FEET NORTHEASTERLY OF THE SOUTHWEST CORNER OF SAID BLOCK 68, AS MEASURED ALONG SAID NORTHWESTERLY LINE; THENCE NORTH 37 DEGREES 18 MINUTES 35 SECONDS WEST, ALONG THE LAST DESCRIBED LINE, A DISTANCE OF 822.28 FEET TO THE HEREINABOVE DESIGNATED POINT OF BEGINNING IN COOK COUNTY, ILLINOIS; (EXCEPTING THEREFROM THAT PART FALLING IN PARCEL A OF THE DEED FROM CHICAGO AND NORTHWESTERN TRANSPORTATION COMPANY TO CHICAGO TRIBUNE COMPANY RECORDED MAY 29, 1980 AS DOCUMENT 25470402 - PARCEL N HEREIN AND EXCEPTING THEREFROM ALL THAT PART AND PORTION WHICH LIES BELOW A HORIZONTAL PLANE 33.50 FEET ABOVE CHICAGO CITY DATUM).

PARCEL H:

THAT PART OF BLOCKS 78, 79 AND THAT PART OF VACATED WEST SUPERIOR STREET LYING BETWEEN SAID BLOCKS IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF LOT 7, IN BLOCK 79 AFORESAID; THENCE SOUTH ALONG THE WEST LINE OF SAID BLOCK 79 A DISTANCE OF 158.998 FEET; THENCE SOUTH 37 DEGREES 18 MINUTES 35 SECONDS EAST, 23.172 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 37 DEGREES 18 MINUTES 35 SECONDS EAST, A DISTANCE OF 82.968 FEET; THENCE SOUTH 0 DEGREES 14 MINUTES 59 SECONDS EAST, 138.012 FEET TO THE POINT OF INTERSECTION WITH A LINE DRAWN FROM A POINT WHICH IS 650 FEET NORTH OF THE SOUTH LINE OF BLOCK 77 IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO, IN SAID

SECTION 9, AND 80.23 FEET EAST OF THE WEST LINE OF BLOCK 78 AFORESAID, TO A POINT ON THE WEST LINE OF SAID BLOCK 79, SAID POINT BEING 212.863 FEET SOUTH OF THE SOUTH LINE OF WEST CHICAGO AVENUE (SAID SOUTH LINE OF CHICAGO AVENUE BEING A LINE 40 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID BLOCK 79); THENCE NORTH 26 DEGREES 47 MINUTES 46 SECONDS WEST, ALONG THE LAST DESCRIBED LINE, A DISTANCE OF 111.876 FEET, THENCE NORTH 0 DEGREES 14 MINUTES 59 SECONDS WEST, A DISTANCE OF 104.142 FEET TO THE HEREINABOVE DESIGNATED POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS; (EXCEPTING THEREFROM THAT PART FALLING IN PARCEL A OF THE DEED FROM CHICAGO AND NORTHWESTERN TRANSPORTATION COMPANY TO CHICAGO TRIBUNE COMPANY RECORDED MAY 29, 1980 AS DOCUMENT 25470402 - PARCEL N HEREIN AND EXCEPTING THEREFROM ALL THAT PART AND PORTION WHICH LIES BELOW A HORIZONTAL PLANE WHICH IS 28.60 FEET ABOVE CHICAGO CITY DATUM).

PARCEL I:

THAT PART OF BLOCK 79 AND THE VACATED ALLEY IN SAID BLOCK IN RUSSELL, MATHER AND ROBERT’S ADDITION TO CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TAKEN AS ONE TRACT AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTH LINE OF WEST CHICAGO AVENUE (BEING A LINE 40 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID BLOCK 79), WITH THE WEST LINE OF SAID BLOCK 79 (ALSO BEING THE EAST LINE OF NORTH HALSTED STREET); THENCE EAST ALONG THE SOUTH LINE OF WEST CHICAGO AVENUE AFORESAID, 278.41 FEET; THENCE SOUTH 84 DEGREES 06 MINUTES 38 SECONDS WEST, 115.17 FEET TO A POINT 11.66 FEET SOUTH OF AND AT RIGHT ANGLES TO THE SOUTH LINE OF WEST CHICAGO AVENUE AND 163.83 FEET EAST OF THE EAST LINE OF NORTH HALSTED STREET, AS MEASURED ALONG THE SOUTH LINE OF WEST CHICAGO AVENUE; THENCE SOUTH 89 DEGREES 49 MINUTES 11 SECONDS WEST, 107.48 FEET TO A POINT 11.85 FEET SOUTH OF AND AT RIGHT ANGLES TO THE SOUTH LINE OF WEST CHICAGO AVENUE AND 56.35 FEET EAST OF THE EAST LINE OF NORTH HALSTED STREET, AS MEASURED ALONG THE SOUTH LINE OF WEST CHICAGO AVENUE; THENCE SOUTH 50 DEGREES 39 MINUTES 51 SECONDS WEST, 55.23 FEET TO A POINT 46.78 FEET SOUTH OF AND AT RIGHT ANGLES TO THE SOUTH LINE OF WEST CHICAGO AVENUE AND 13.65 FEET EAST OF THE EAST LINE OF NORTH HALSTED STREET, AS MEASURED ALONG THE SOUTH LINE OF WEST CHICAGO AVENUE; THENCE SOUTH 0 DEGREES 14 MINUTES 59 SECONDS EAST, 90.65 FEET; THENCE NORTH 37 DEGREES 18 MINUTES 35 SECONDS WEST, A DISTANCE OF 23.172 FEET TO THE POINT OF INTERSECTION WITH THE WEST LINE OF SAID BLOCK 79 (ALSO BEING THE EAST LINE OF NORTH HALSTED STREET); THENCE NORTH ALONG THE WEST LINE OF SAID BLOCK 79, A DISTANCE OF 118.998 FEET TO THE HEREINABOVE DESIGNATED POINT OF BEGINNING IN COOK COUNTY, ILLINOIS.

PARCEL J:

THAT PART OF BLOCK 79 AND THAT PART OF VACATED WEST SUPERIOR STREET IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF SAID BLOCK 79 (ALSO BEING THE EAST LINE OF NORTH HALSTED STREET) 158.998 FEET (AS MEASURED ALONG SAID LINE) SOUTH OF THE NORTHWEST CORNER OF LOT 7 IN SAID BLOCK; THENCE CONTINUING SOUTH 0 DEGREES 00 MINUTES 00 SECONDS EAST, ALONG SAID WEST LINE OF BLOCK 79, A DISTANCE OF 93.865 FEET; THENCE SOUTH 26 DEGREES 47 MINUTES 46 SECONDS EAST, A DISTANCE OF 32.11 FEET; THENCE NORTH 0 DEGREES 14 MINUTES 59 SECONDS WEST, A DISTANCE OF 104.142 FEET; THENCE NORTH 37 DEGREES 18 MINUTES 35 SECONDS WEST, A DISTANCE OF 23.172 FEET TO THE HEREINABOVE DESIGNATED POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS; (EXCEPTING THEREFROM ALL THAT PART AND PORTION WHICH LIES BELOW A HORIZONTAL PLANE WHICH IS 28.60 FEET ABOVE CHICAGO CITY DATUM).

PARCEL K:

THAT PART OF BLOCKS 78 AND 79, TOGETHER WITH THAT PART OF VACATED WEST SUPERIOR STREET IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF NORTH HALSTED STREET, SAID POINT BEING 464.44 FEET (AS MEASURED ALONG SAID EAST LINE) NORTH OF THE SOUTHWEST CORNER OF BLOCK 77 IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO, IN SECTION 9 AFORESAID, AND ALSO BEING 556.74 FEET (AS MEASURED ALONG SAID EAST LINE) SOUTH OF THE SOUTH LINE OF WEST CHICAGO AVENUE (SAID SOUTH LINE BEING 40 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF BLOCK 79 AFORESAID): THENCE NORTH 3 DEGREES 18 MINUTES 38 SECONDS EAST, ALONG THE EASTERLY LINE OF PERMANENT EASEMENT GRANTED TO THE CITY OF CHICAGO PER DOCUMENT NUMBER 20408926, A DISTANCE OF 255.66 FEET TO A POINT 14.76 FEET EAST OF AND AT RIGHT ANGLES TO THE EAST LINE OF NORTH HALSTED STREET AFORESAID AND 301.57 FEET SOUTH (AS MEASURED ALONG SAID EAST LINE OF NORTH HALSTED STREET) OF THE SOUTH LINE OF WEST CHICAGO AVENUE (SAID SOUTH LINE OF CHICAGO AVENUE BEING 40 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID BLOCK 79); THENCE NORTH 0 DEGREES 14 MINUTES 59 SECONDS WEST, ALONG SAID EASTERLY LINE, 60.05 FEET; THENCE NORTH 26 DEGREES 47 MINUTES 46 SECONDS WEST, A DISTANCE OF 32.11 FEET TO THE POINT OF INTERSECTION WITH SAID EAST LINE OF NORTH HALSTED STREET, SAID POINT ALSO BEING 212.863 FEET (AS MEASURED ALONG SAID EAST LINE OF NORTH HALSTED STREET) SOUTH OF THE SOUTH LINE OF WEST CHICAGO AVENUE AFORESAID; THENCE SOUTH 0 DEGREES 0 MINUTES 0 SECONDS EAST, ALONG SAID

EAST LINE OF NORTH HALSTED STREET, 343.877 FEET TO THE HEREINABOVE DESIGNATED POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL L:

THAT PART OF BLOCK 68 TOGETHER WITH PART OF VACATED NORTH PUTMAN STREET IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHWESTERLY LINE OF WEST ERIE STREET, AS RELOCATED PER DOCUMENT NUMBER 18526682, SAID POINT OF INTERSECTION BEING 115.42 FEET NORTHEASTERLY OF THE SOUTHWEST CORNER OF BLOCK 68 AFORESAID (AS MEASURED ALONG SAID NORTHWESTERLY LINE); THENCE NORTH 37 DEGREES 18 MINUTES 35 SECONDS WEST, 150 FEET; THENCE NORTH 52 DEGREES 41 MINUTES 25 SECONDS EAST, A DISTANCE OF 45.16 FEET TO THE POINT OF INTERSECTION WITH A LINE DRAWN FROM A POINT WHICH IS 51.68 FEET NORTHEASTERLY (AS MEASURED ALONG SAID NORTHWESTERLY LINE OF RELOCATED WEST ERIE STREET) OF THE HEREINABOVE POINT OF BEGINNING, TO A POINT ON THE WEST LINE OF BLOCK 79 IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN SECTION 9 AFORESAID, SAID POINT BEING 212.863 FEET SOUTH OF THE SOUTH LINE OF WEST CHICAGO AVENUE (SAID SOUTH LINE OF CHICAGO AVENUE BEING A LINE 40 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID BLOCK 79); THENCE SOUTH 37 DEGREES 18 MINUTES 35 SECONDS EAST ALONG THE LAST DESCRIBED LINE, A DISTANCE OF 175.10 FEET TO THE POINT OF INTERSECTION WITH SAID NORTHWESTERLY LINE OF RELOCATED WEST ERIE STREET, THENCE SOUTH 81 DEGREES 45 MINUTES 28 SECONDS WEST ALONG SAID NORTHWESTERLY LINE OF RELOCATED WEST ERIE STREET, 51.68 FEET TO THE HEREINABOVE DESIGNATED POINT OF BEGINNING IN COOK COUNTY, ILLINOIS; (EXCEPTING THEREFROM THAT PART FALLING IN PARCEL A OF THE DEED FROM CHICAGO AND NORTHWESTERN TRANSPORTATION COMPANY TO CHICAGO TRIBUNE COMPANY RECORDED MAY 29, 1980 AS DOCUMENT 25470402 - PARCEL N HEREIN AND EXCEPTING THEREFROM ALL THAT PART AND PORTION WHICH LIES BELOW AN INCLINED PLANE WHICH IS 33.50 FEET ABOVE CHICAGO CITY DATUM ALONG THE NORTHWESTERLY LINE OF THE PREMISES IMMEDIATELY HEREINABOVE DESCRIBED AND 26.80 FEET ABOVE CHICAGO CITY DATUM ALONG A LINE WHICH IS PARALLEL WITH AND DISTANT 150 FEET SOUTHEASTERLY MEASURED AT RIGHT ANGLES FROM SAID NORTHWESTERLY LINE OF SAID PREMISES AND A HORIZONTAL PLANE WHICH IS 26.80 FEET ABOVE CHICAGO CITY DATUM SOUTHEASTERLY OF SAID SOUTHEASTERLY PARALLEL LINE TO THE NORTHWESTERLY LINE OF RELOCATED WEST ERIE STREET AFORESAID).

PARCEL M:

THAT PART OF WEST ERIE STREET, AS DEDICATED BY ORDINANCE PASSED OCTOBER 10, 1870, AND RECORDED JULY 9, 1962 AS DOCUMENT 18526682,

BOUNDED AND DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF LOT 8 IN BLOCK 68 IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO; THENCE NORTH 81 DEGREES 45 MINUTES 28 SECONDS EAST, ALONG THE NORTHWESTERLY LINE OF WEST ERIE STREET AFORESAID, 173.56 FEET TO THE HEREIN DESIGNATED POINT OF BEGINNING; THENCE CONTINUING NORTH 81 DEGREES 45 MINUTES 28 SECONDS EAST, ALONG SAID NORTHWESTERLY LINE, 256.51 FEET TO THE PRESENT DOCK LINE OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE SOUTH 28 DEGREES 30 MINUTES 22 SECONDS EAST, ALONG SAID DOCK LINE, 8.47 FEET; THENCE SOUTH 30 DEGREES 38 MINUTES 08 SECONDS EAST, 60.82 FEET; THENCE SOUTH 37 DEGREES 22 MINUTES 06 SECONDS EAST, ALONG SAID DOCK LINE, 18.105 FEET TO THE POINT OF INTERSECTION WITH THE SOUTHEASTERLY LINE OF WEST ERIE STREET AFORESAID; THENCE SOUTH 81 DEGREES 45 MINUTES 28 SECONDS WEST, ALONG SAID SOUTHEASTERLY LINE, 246.98 FEET; THENCE NORTH 37 DEGREES 17 MINUTES 54 SECONDS WEST, 91.52 FEET TO THE HEREINABOVE DESIGNATED POINT OF BEGINNING, ALL IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL N:

A STRIP OF LAND 32.00 FEET IN WIDTH (AS MEASURED PERPENDICULARLY THERETO) LYING NORTHERLY OF THE NORTHERLY LINE OF WEST ERIE STREET AS RELOCATED PER DOCUMENT NUMBER 18526682 AND LYING ENTIRELY SOUTHWESTERLY OF A "LINE A" DRAWN FROM A POINT ON SAID NORTHERLY LINE OF WEST ERIE STREET, SAID POINT BEING 173.565 FEET NORTHEASTERLY OF THE SOUTHWEST CORNER OF BLOCK 68 IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TO A POINT ON THE WEST LINE OF BLOCK 79 IN SAID ADDITION 118.998 FEET SOUTH OF THE SOUTH LINE OF WEST CHICAGO AVENUE (BEING A LINE 40.00 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID BLOCK 79); THE NORTHERLY TERMINUS OF SAID STRIP OF LAND BEING A LINE DESCRIBED AS COMMENCING AT A POINT ON SAID "LINE A", 47.30 FEET SOUTHEASTERLY (AS MEASURED ALONG SAID "LINE A") OF THE POINT OF INTERSECTION OF SAID "LINE A" WITH THE WEST LINE OF BLOCK 79 AFORESAID AND FORMING AN ANGLE WITH SAID "LINE A" FROM SOUTHEAST TO SOUTH OF 8 DEGREES 54 MINUTES 35.2 SECONDS, ALL IN COOK COUNTY, ILLINOIS.

PARCEL O

A STRIP OF LAND 32.00 FEET IN WIDTH (AS MEASURED PERPENDICULARLY THERETO) LYING ENTIRELY WITHIN WEST ERIE STREET AS RELOCATED PER DOCUMENT NUMBER 18526682 AND LYING SOUTHWESTERLY OF A LINE DRAWN FROM A POINT ON THE NORTHERLY LINE OF SAID RELOCATED WEST ERIE STREET 173.565 FEET NORTHEASTERLY OF THE SOUTHWEST CORNER OF BLOCK 68 IN RUSSELL, MATHER AND ROBERTS ADDITION TO CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TO A POINT ON THE SOUTHERLY LINE OF SAID RELOCATED WEST ERIE STREET 223.81

FEET NORTHEASTERLY OF THE POINT OF INTERSECTION OF SAID SOUTHERLY LINE WITH THE NORTH LINE OF BLOCK 69 IN SAID ADDITION, ALL IN COOK COUNTY, ILLINOIS

PARCEL P

A STRIP OF LAND 32.00 FEET IN WIDTH (AS MEASURED PERPENDICULARLY THERETO) LYING SOUTHERLY OF THE SOUTHERLY LINE OF WEST ERIE STREET AS RELOCATED PER DOCUMENT NUMBER 18526682 AND LYING ENTIRELY SOUTHWESTERLY OF A “LINE B” DRAWN FROM A POINT ON SAID SOUTHERLY LINE OF WEST ERIE STREET, SAID POINT BEING 223.81 FEET NORTHEASTERLY OF THE POINT OF INTERSECTION OF SAID SOUTHERLY LINE WITH THE NORTHERLY LINE OF BLOCK 69 IN RUSSELL, MATHER AND ROBERT’S ADDITION TO CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TO A POINT ON THE NORTHERLY LINE OF WEST GRAND AVENUE AS OPENED PER ORDINANCE ASSESSMENT CONFIRMED OCTOBER 4, 1858, SAID POINT BEING 80.71 FEET (AS MEASURED ALONG SAID NORTHERLY LINE) EASTERLY OF THE EAST LINE OF BLOCK 61 IN SAID ADDITION THE SOUTHERLY TERMINUS OF SAID STRIP OF LAND BEING A LINE DESCRIBED AS COMMENCING AT A POINT ON SAID “LINE B” 439.83 FEET (AS MEASURED ALONG SAID “LINE B”) NORTHWESTERLY OF THE NORTHERLY LINE OF WEST GRAND AVENUE, AFORESAID AND FORMING AN ANGLE WITH SAID “LINE B” FROM NORTHWEST TO WEST OF 52 DEGREES 38 MINUTES 07.3 SECONDS, ALL IN COOK COUNTY, ILLINOIS

EXHIBIT C-2

TEMPORARY PROJECT SITE

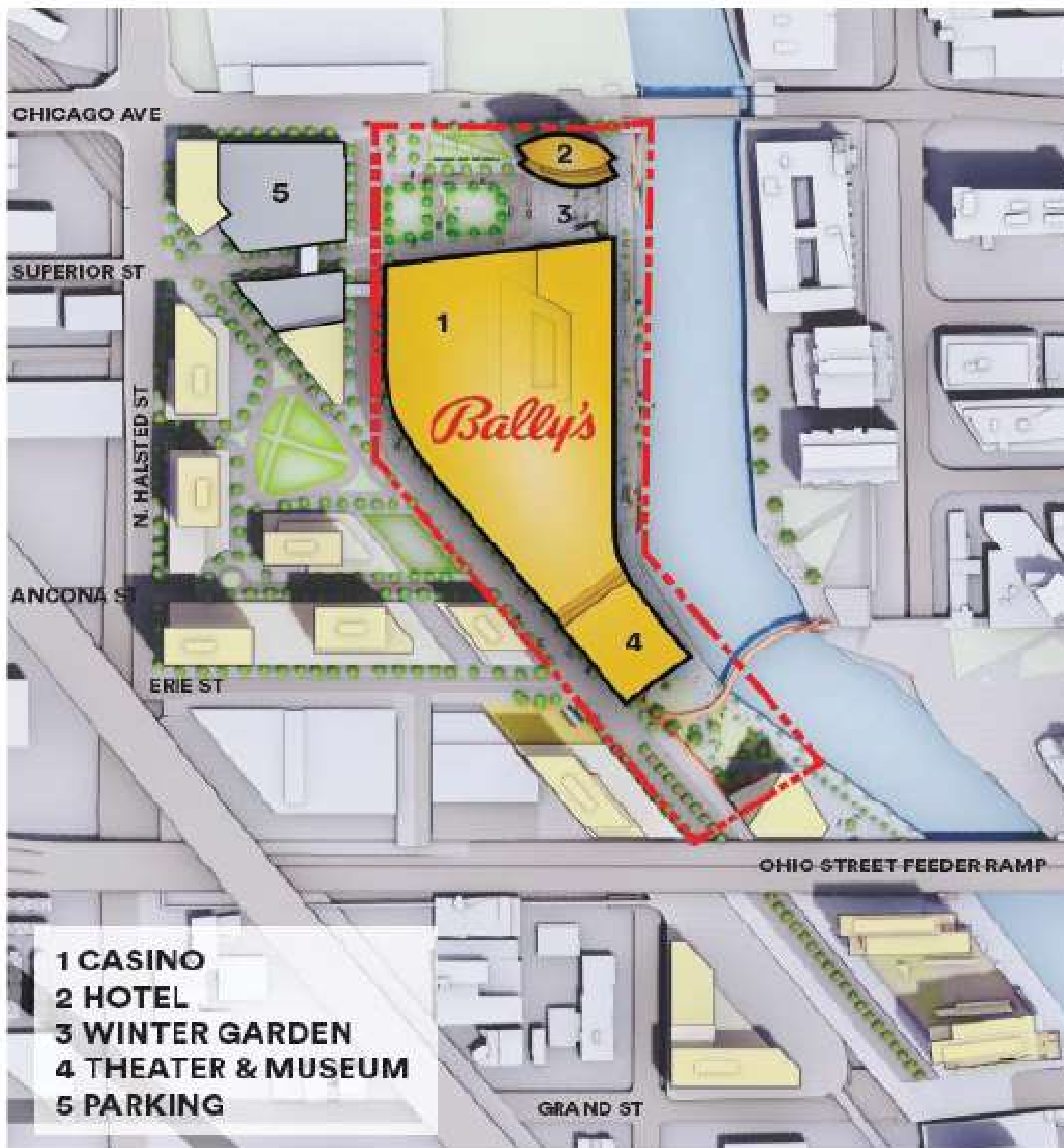
The Project Site (Temporary) is at the Medinah Temple located at 600 N. Wabash Avenue, Chicago, IL.

EXHIBIT D

CONCEPT DESIGN DOCUMENTS

* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.

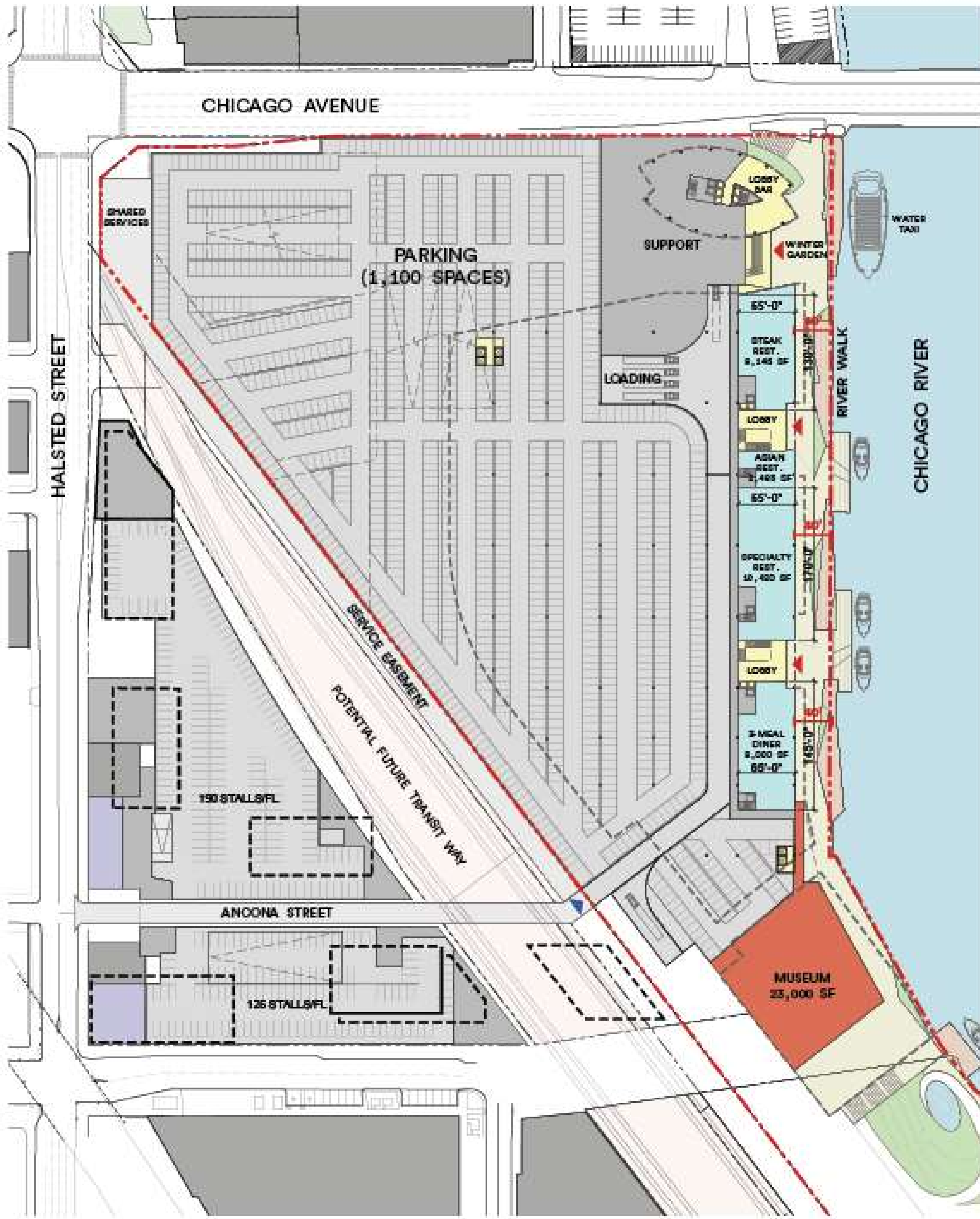
Permanent Project "Concept Design Documents"*



* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.

LEVEL P1 PLAN

* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.

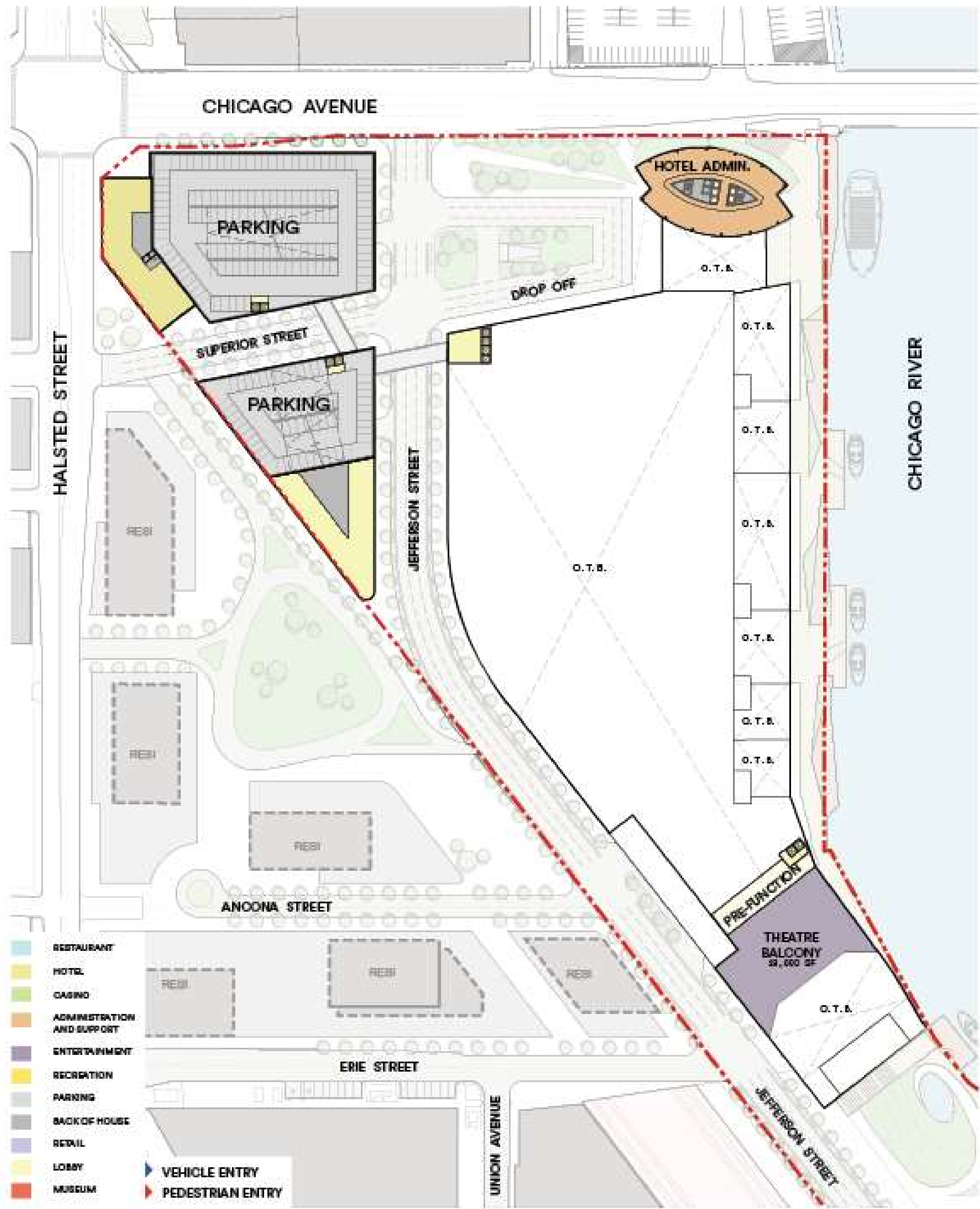


LEVEL P2 PLAN

* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.

CASINO LEVEL PLAN

* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.



LEVEL 2 PLAN

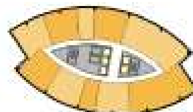
* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.

* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.

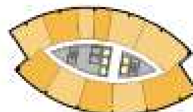
ROOF TOP LOUNGE PLAN
(LEVEL 37)

ROOF TOP LOUNGE PLAN
(LEVEL 36)

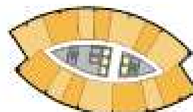
PREMIER SUITES FLOOR PLAN
(LEVEL 35)



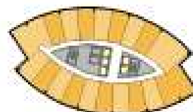
SUPER SUITES FLOOR PLAN
(LEVELS 33-34)



TYPICAL SUITES FLOOR PLAN
(LEVELS 16-32)



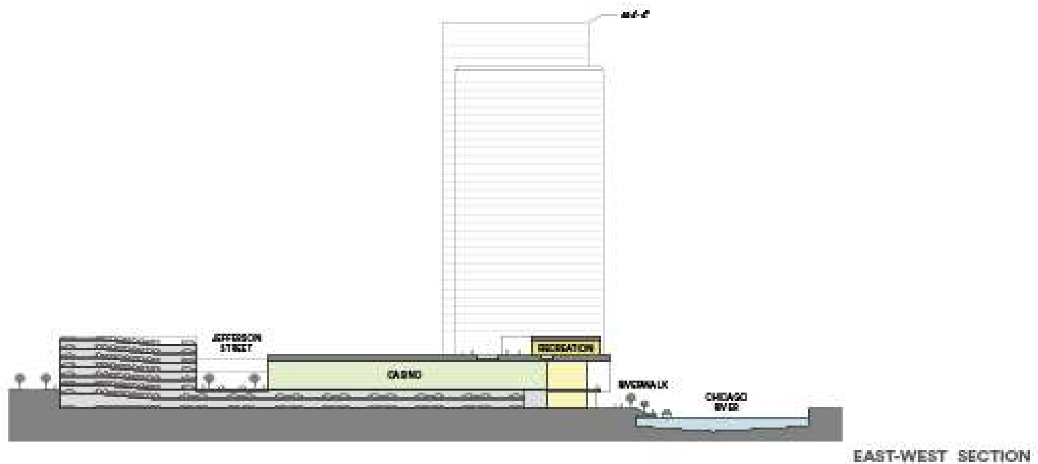
TYPICAL HOTEL FLOOR PLAN
(LEVELS 4-15)

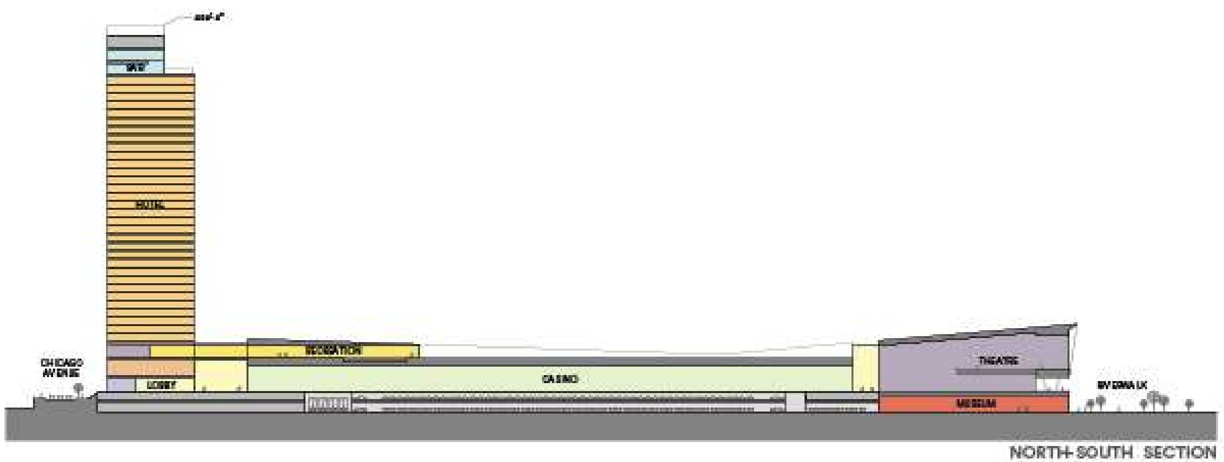


RESTAURANT
HOTEL
CASINO
ADMINISTRATION AND SUPPORT
ENTERTAINMENT
RECREATION
PARKING
BACK OF HOUSE
RETAIL
LOBBY
MUSEUM

LEVELS 4-37 PLANS

* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.





* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.

* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.

* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.

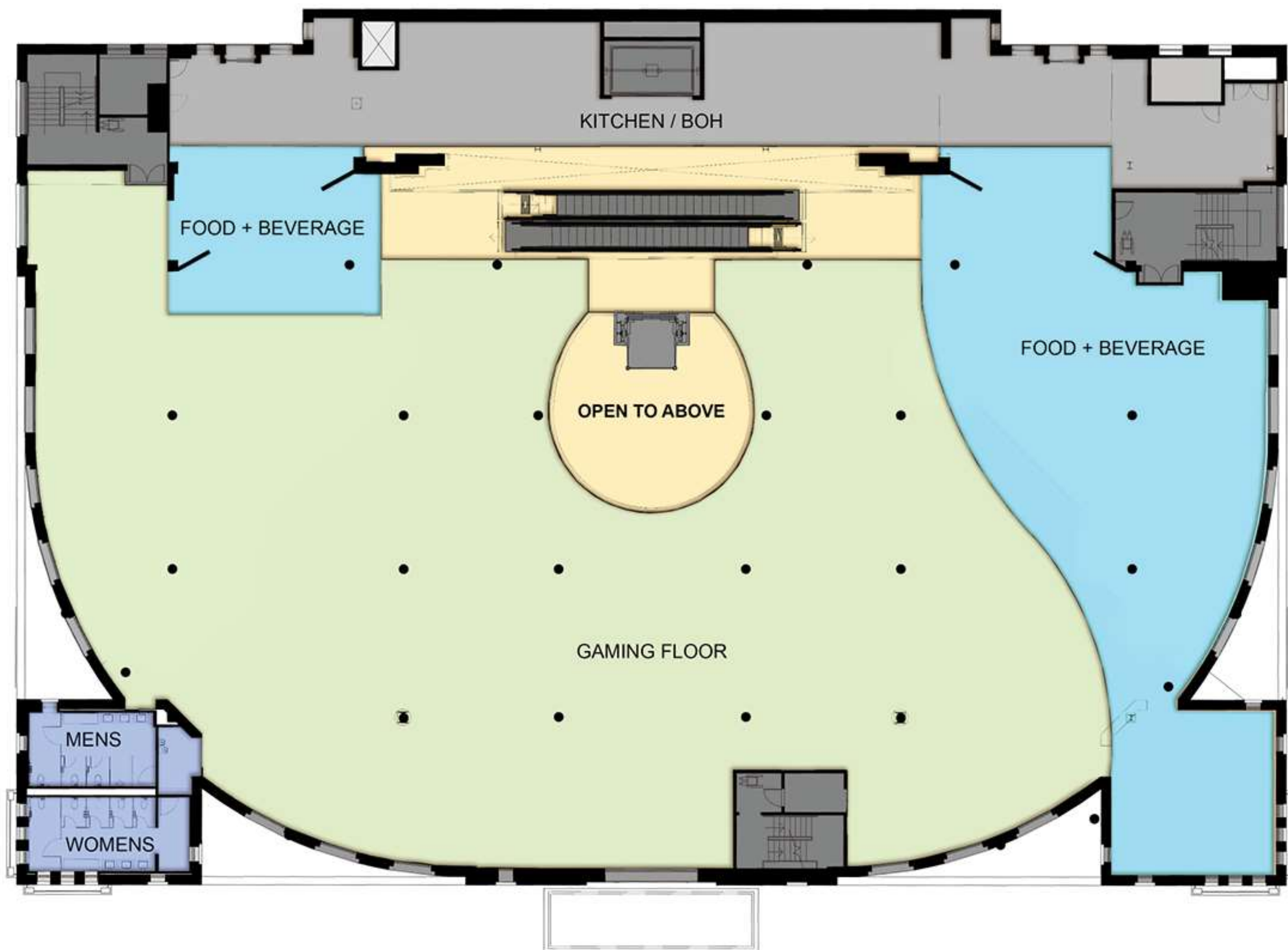
* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.

Temporary Project "Concept Design Documents" *

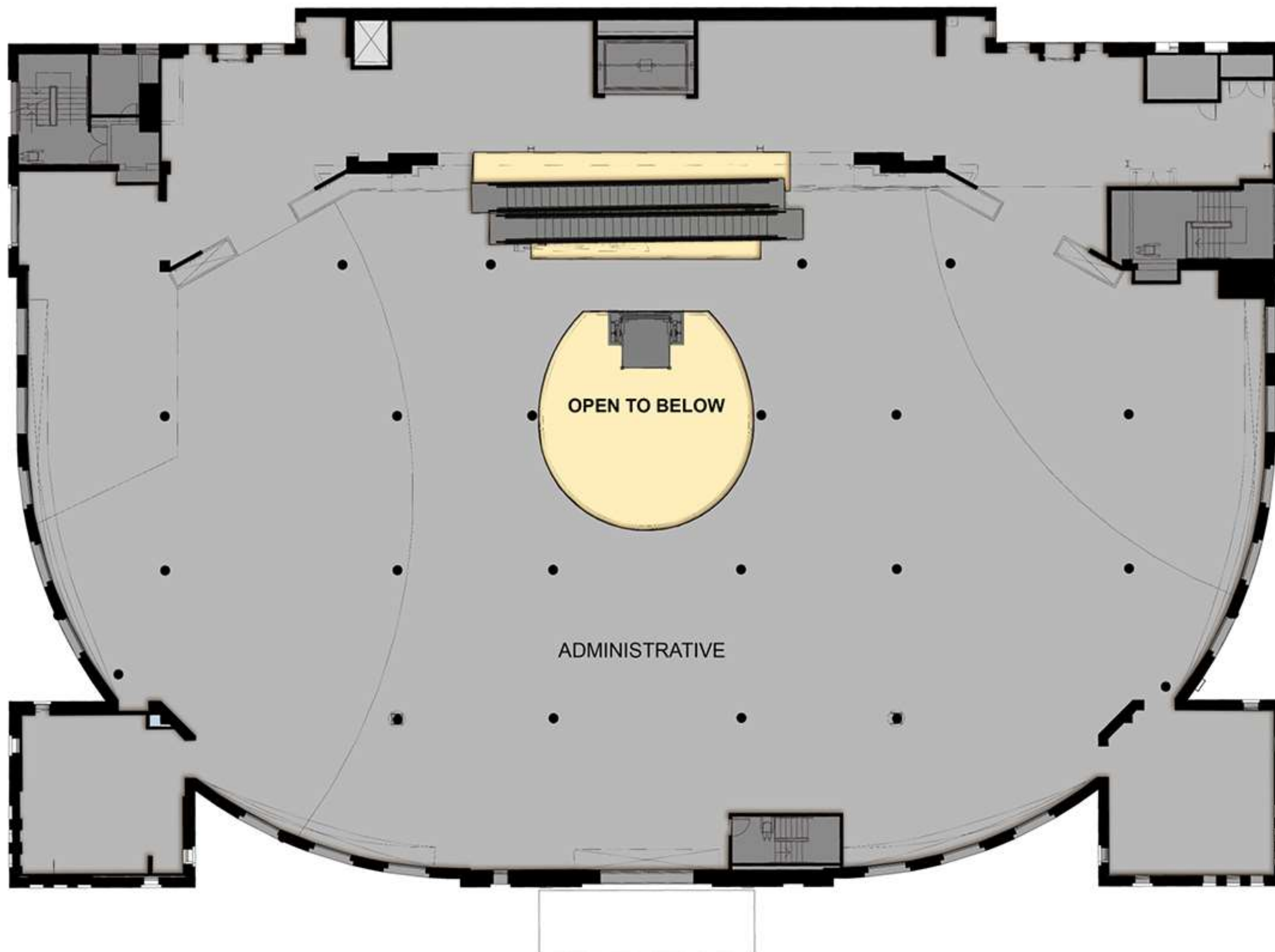
* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.

* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.

* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.



* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.



* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.

PROPOSED FLOORPLAN - LOWER LEVEL

* Design documents are conceptual and subject to change upon further review and approval by Developer and various departments, agencies and commissions of the City.

EXHIBIT E

FORM OF CASINO MANAGER TRANSFER RESTRICTION AGREEMENT

This Transfer Restriction Agreement ("**TRA**") is made as of this ___ day of __________, 20__, by _________________________limited liability company ("**Casino Manager**"), having its office at ____ to and for the benefit of the City of Chicago, Illinois, a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois (the "**City**"). The Casino Manager and the City shall be referred to herein individually as a "**Party**" and collectively as the "**Parties**".

RECITALS

A. On June 28, 2019, the Governor of the State of Illinois (the "**State**") signed into law Public Act 101-0031, which public act significantly expanded gaming throughout the State by, among other things, amending the Illinois Gambling Act, 230 ILCS 10/1 et seq., as amended from time to time (the "**Act**") and authorizing the Illinois Sports Wagering Act, 230 ILCS 45/25 et seq., as amended from time to time (the "**Sports Wagering Act**").

B. ____________________________, a Developer limited liability company (the "**Developer**") and the City have executed that certain Host Community Agreement dated ______________ ___, 20__, as the same may from time to time be amended ("**Agreement**," with capitalized terms herein having the same meaning as therein defined, unless expressly otherwise defined herein), which Agreement sets forth the terms and conditions upon which Developer has agreed to develop, construct, operate and maintain a casino, including all buildings, hotel structures, recreational or entertainment facilities, restaurants or other dining facilities, bars and lounges, retail stores or other amenities, back office facilities and improvements developed, constructed, used or maintained by Developer in connection with the casino (the "**Project**").

C. Casino Manager will be engaged by Developer to provide casino resort development and management services to Developer pursuant to the terms of a Management Agreement to be entered into between the Developer and Casino Manager, as the same may from time to time be amended ("**Management Agreement**").

D. Casino Manager, by virtue of entering into the Management Agreement with Developer, will benefit from the financial success of Developer.

E. The City is relying upon Developer and the Casino Manager in the exercise of their respective skill, judgment, reputation and discretion with respect to the Project.

F. The execution and delivery of this TRA is required under the terms of the Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and in order to induce the City to execute and deliver the Agreement, Casino Manager, acknowledging that, but

for the execution and delivery of this TRA, the City would not have entered into the Agreement with Developer, hereby covenants and agrees as follows:

1. Without first obtaining the prior written consent of the City, the Casino Manager shall not permit or engage in the following transfers (each a "**Restricted Transfer**"):

(a) consummate a sale of all or substantially all of its assets;

(b) consummate a merger or consolidation with any other corporation or entity, other than a merger or consolidation which would result in the voting securities of the Casino Manager outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into the voting securities of the surviving entity) more than fifty percent (50%) of the combined voting power of the voting securities of the Casino Manager or such surviving entity outstanding immediately after such merger or consolidation;

(c) liquidate all or substantially all of its assets;

(d) (i) change its ownership through a transaction or a series of related transactions, such that any person or entity is or becomes the beneficial owner, directly or indirectly, of securities in the Casino Manager representing more than fifty percent (50%) of either the combined voting power of the voting securities or the economic interests of the Casino Manager, or (ii) otherwise allow or experience a change in Control of the Casino Manager; or

(e) transfer, whether by assignment or otherwise, the Management Agreement.

2. Nothing contained in this TRA shall prevent (i) the delegation of certain duties and responsibilities regarding the Project to third parties so long as (x) such delegation is ordinary and customary in the casino industry, and (y) the Casino Manager remains the primary provider of overall services and continues to exercise ultimate operational control over the Project, (ii) a pledge or a grant of a security interest by the Casino Manager of its assets, ownership interests or its direct or indirect interest in Developer or the Management Agreement to one or more an institutional lender(s), provided that the prior written consent of the City shall be required if any such institutional lenders in the exercise of their remedies desires to affect a Restricted Transfer, and (iii) the Board from authorizing the appointment of an interim casino manager under the Act.

3. The procedure for obtaining approval of a Restricted Transfer by the City under this TRA shall be as follows:

(a) Casino Manager shall notify the City as promptly as practicable upon Casino Manager becoming aware of any Restricted Transfer or proposed Restricted Transfer. The City shall have a period of thirty (30) calendar days to consider a Restricted Transfer after a written request for approval of such Restricted Transfer has been provided to the City by the Casino Manager. If the City fails to take any action concerning a proposed Restricted Transfer within such 30-day period, the Restricted Transfer shall be deemed to have been approved. The Casino Manager shall provide the City with such information as the City may reasonably request regarding such Restricted Transfer to the extent that such information is either in possession of the Casino Manager or reasonably accessible by it. Pursuant to the request of

either Party, the Casino Manager and the City agree to meet and confer during the review process to discuss any proposed Restricted Transfer.

(b) [Intentionally Omitted].

(c) In the event that the City shall withhold approval of any Restricted Transfer, such withholding of approval shall be in writing and shall set forth with reasonable specificity each of the reasons why such approval has been withheld. In the event that the Casino Manager disputes the withholding of such approval, then the Casino Manager shall have the right to invoke the dispute resolution provisions set forth in this TRA.

4. Each Party hereby represents and warrants that:

(a) it is duly organized, validly existing and in good standing under the applicable laws of the jurisdiction of its formation, with full power and authority to execute and deliver this TRA and consummate the transactions contemplated hereby; and

(b) the execution and delivery of this TRA and the consummation and performance by it of the transactions contemplated hereby: (1) have been duly authorized by all actions required under the terms and provisions of the instruments governing its existence ("**Governing Instruments**") and the laws of the jurisdiction of its formation; (2) create legal, valid and binding obligations of it enforceable in accordance with the terms hereof, subject to the effect of any applicable bankruptcy, moratorium, insolvency, reorganization or other similar law affecting the enforceability of creditors' rights generally and to the effect of general principles of equity which may limit the availability of equitable remedies (whether in a proceeding at law or in equity); (3) does not require the approval or consent of any federal, state, county or municipal governmental authority, agency or instrumentality, including the City, State or the United States and all executive, legislative, judicial and administrative departments and bodies thereof (each a "**Governmental Authority**") having jurisdiction over it, except those already obtained; and (4) do not and will not constitute a violation of, or default under, its Governing Instruments, the Act, the Sports Wagering Act, and all laws, ordinances, statutes, executive orders, rules, zoning requirements and agreements of any Governmental Authority that are applicable to the acquisition, remediation, renovation, demolition, development, construction and operation of the Project, including all required permits, approvals and rules, guidelines or restrictions enacted or imposed by Governmental Authorities, but only to the extent that such laws, ordinances, statutes, executive orders, zoning requirements, agreements, permits, approvals, rules, guidelines and restrictions are valid and binding on Casino Manager (the "**Government Requirements**"), agreement, commitment or instrument to which it is a party or by which any of its assets are bound, except for such violations or defaults under any Government Requirements, agreements, commitments or instruments that would not result in a material adverse change in the condition, financial or otherwise, or in the results of operations or business affairs of the Casino Manager and its subsidiaries, considered as one enterprise; and

(c) a true, complete and accurate copy of the Casino Manager's operating agreement dated __________________ is attached hereto as Exhibit E-1.

5. Each Party covenants with the other Party as follows:

(a) none of the representations and warranties of such Party in this TRA contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained therein or herein, in the light of the circumstances under which they were made, not misleading.

(b) Casino Manager shall give notice to the City promptly upon the occurrence of any Event of Default (hereinafter defined). Each notice pursuant to this subparagraph shall be accompanied by a statement setting forth details of the Event of Default referred to therein and stating what action Casino Manager proposes to take with respect thereto.

(c) the Casino Manager agrees, upon the reasonable request of the City, to do any act or execute any additional documents as may be reasonably required by the City to accomplish or further confirm the provisions of this TRA.

6. The City may declare Casino Manager to be in default under this TRA upon the occurrence of any of the following events ("**Events of Default**"):

(a) If Casino Manager fails to comply with any material covenants and agreements made by it in this TRA (other than those specifically described in any other subparagraph of this paragraph 6) and such noncompliance continues for fifteen (15) days after written notice from the City, provided, however, that if any such noncompliance is reasonably susceptible of being cured within thirty (30) days, but cannot with due diligence be cured within fifteen (15) days, and if Casino Manager commences to cure any noncompliance within said fifteen (15) days and diligently prosecutes the cure to completion, then Casino Manager shall not during such period of diligently curing be in default hereunder as long as such default is completely cured within thirty (30) days of the first notice of such default to Casino Manager;

(b) If any representation or warranty made by Casino Manager hereunder was false or misleading in any material respect as of the time made;

(c) If any of the following events occur with respect to Casino Manager: (i) by order of a court of competent jurisdiction, a receiver, liquidator or trustee of Casino Manager or of any of the property of Casino Manager (other than non-material property and with respect to which the appointment hereinafter referred to would not materially adversely affect the financial condition of Casino Manager) shall be appointed and shall not have been discharged within ninety (90) days; (ii) a petition in bankruptcy, insolvency proceeding or petition for reorganization shall have been filed against Casino Manager and same is not withdrawn, dismissed, canceled or terminated within ninety (90) days; (iii) Casino Manager is adjudicated bankrupt or insolvent or a petition for reorganization is granted (without regard for any grace period provided for herein); (iv) if there is an attachment or sequestration of any of the property of Casino Manager and same is not discharged or bonded over within ninety (90) days; (v) if Casino Manager files or consents to the filing of any petition in bankruptcy or commences or consents to the commencement of any proceeding under the Federal Bankruptcy Code or any other law, now or hereafter in effect, relating to the reorganization of Casino Manager or the arrangement or readjustment of the debts of Casino Manager; or (vi) if Casino Manager shall make an assignment for the benefit of its creditors or shall admit in writing its inability to pay

its debts generally as they become due or shall consent to the appointment of a receiver, trustee or liquidator of Casino Manager or of all or any material part of its property; or

(d) If Casino Manager ceases to do business or terminates its business for any reason whatsoever or shall cause or institute any proceeding for the dissolution of Casino Manager, unless the City has first approved a successor Casino Manager pursuant to the terms of this TRA.

7. Remedies:

(a) Upon an Event of Default, the City shall have the right if it so elects to: (i) any and all remedies available at law or in equity; or (ii) institute and prosecute proceedings to enforce in whole or in part the specific performance of this TRA by Casino Manager, or to enjoin or restrain Casino Manager from commencing or continuing said breach, or to cause by injunction Casino Manager to correct and cure said breach or threatened breach without the need to post any bond therefor. None of the remedies enumerated herein is exclusive and nothing herein shall be construed as prohibiting the City from pursuing any other remedies at law, in equity or otherwise available to it under this TRA, including seeking damages for breach of this Agreement.

(b) In the event that the City shall fail to honor any of its obligations under this TRA, the Casino Manager shall have the same remedies that the City has under paragraph 7(a) of this TRA.

(c) The rights and remedies of each Party whether provided by law or by this TRA, shall be cumulative, and the exercise by a Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach, to the extent permitted by law. No waiver made by a Party shall apply to obligations beyond those expressly waived in writing.

8. If any of the provisions of this TRA, or the application thereof to any Person or circumstances, shall, to any extent, be invalid or unenforceable, the remainder of this TRA, or the application of such provision or provisions to Persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and every provision of this TRA shall be valid and enforceable to the fullest extent permitted by law.

9. This writing is intended by the Parties as a final expression of this TRA, and is intended to constitute a complete and exclusive statement of the terms of the agreement among the Parties. There are no promises or conditions, expressed or implied, unless contained in this writing. No course of dealing, course of performance or trade usage, and no parol evidence of any nature, shall be used to supplement or modify the terms of this TRA. No amendment, modification, termination or waiver of any provision of this TRA, shall in any event be effective unless the same shall be in writing and signed by the City and Casino Manager, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No waiver shall be implied from the City's delay in exercising or failing to exercise any right or remedy against Developer or any Restricted Party in connection with any transfer restriction imposed on Developer or any Restricted Party under the Agreement or any other Transfer Restriction Agreement.

10. Notices shall be given as follows:

(a) Any notice, demand or other communication which any Party may desire or may be required to give to any other Party hereto shall be in writing delivered by (i) hand-delivery, (ii) a nationally recognized overnight courier, or (iii) mail (but excluding electronic mail, i.e., "**e-mail**") addressed to a Party at its address set forth below, or to such other address as the Party to receive such notice may have designated to all other Parties by notice in accordance herewith:

If to City:	Mayor City of Chicago 121 N. LaSalle Street, 5th Floor Chicago, Illinois 60602
with copies to:	Corporation Counsel City of Chicago 121 N. LaSalle Street, Room 600 Chicago, Illinois 60602
If to Casino Manager:	________________ ________________ ________________
with copies to:	________________ ________________

(b) Any such notice, demand or communication shall be deemed delivered and effective upon the actual delivery.

11. Time is of the essence in performance of this TRA by the City and the Casino Manager.

12. The terms of this TRA shall bind and benefit the legal representatives, successors and assigns of the City and Casino Manager; provided, however, that Casino Manager may not assign this TRA, or assign or delegate any of its rights or obligations under this TRA, without the prior written consent of the City in each instance.

13. This TRA shall be governed by, and construed in accordance with, the local laws of the State without application of its law of conflicts principles.

14. Submission to Jurisdiction.

(a) The Parties expressly agree that the sole and exclusive place, status and forum of this TRA shall be the City. All actions and legal proceedings which in any way relate to this TRA shall be solely and exclusively brought, heard, conducted, prosecuted, tried and

determined within the City. It is the express intention of the Parties that the exclusive venue of all legal actions and procedures of any nature whatsoever which related in any way to this TRA shall be the Circuit Court of Cook County, Illinois, or the United States District Court for the Northern District of Illinois (the "**Court**").

(b) If at any time during the Term, the Casino Manager is not a resident of the State or has no officer, director, employee, or agent thereof available for service of process as a resident of the State, or if any permitted assignee thereof shall be a foreign corporation, partnership or other entity or shall have no officer, director, employee, or agent available for service of process in the State, the Casino Manager or its assignee hereby designates the Secretary of State of the State of Illinois, as its agent for the service of process in any court action between it and the City or arising out of or relating to this TRA and such service shall be made as provided by the laws of the State for service upon a non-resident.

15. Casino Manager acknowledges that it expects to derive a benefit as a result of the Agreement because of its relationship to Developer, and that it is executing this TRA in consideration of that anticipated benefit.

[signature page follows]

CITY OF CHICAGO, ILLINOIS, a municipal corporation

By:_____________________________________

Its:_________________________________

__________________________ limited liability company

By:______________________________________

Its:__________________________________

[Signature Page – Casino Manager Transfer Restriction Agreement]

EXHIBIT F

FORM OF RESTRICTED PARTY TRANSFER RESTRICTION AGREEMENT[1]

This Transfer Restriction Agreement ("**TRA**") is made as of this ___ day of __________, 20__, by ________________________("**Restricted Party**"), having its office at ____ to and for the benefit of the City of Chicago, Illinois, a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois (the "**City**"). The Restricted Party and the City shall be referred to herein individually as a "**Party**" and collectively as the "**Parties**".

RECITALS

A. On June 28, 2019, the Governor of the State of Illinois signed into law Public Act 101-0031, which public act significantly expanded gaming throughout the State by, among other things, amending the Illinois Gambling Act, 230 ILCS 10/1 et seq., as amended from time to time and authorizing the Illinois Sports Wagering Act, 230 ILCS 45/25 et seq., as amended from time to time.

B. Bally's Chicago Operating Company, LLC, a Delaware limited liability company (the "**Developer**"), and the City have executed that certain Host Community Agreement dated _________ ___, 2022, as the same may from time to time be amended ("**Agreement**," with capitalized terms herein having the same meaning as therein defined, unless expressly otherwise defined herein), which Agreement sets forth the terms and conditions upon which Developer has agreed to develop, construct, operate and maintain a casino, including all buildings, hotel structures, recreational or entertainment facilities, restaurants or other dining facilities, bars and lounges, retail stores or other amenities, back office facilities and improvements developed, constructed, used or maintained by Developer in connection with the casino (the "**Project**").

C. Casino Manager will be engaged by Developer to provide casino resort development and management services to Developer pursuant to the terms of a Management Agreement to be entered into between the Developer and Casino Manager, as the same may from time to time be amended ("**Management Agreement**").

D. The Restricted Party, as a direct or indirect owner of Developer or the Casino Manager who is not a Passive Investor as defined in the Agreement, will benefit from the financial success of Developer or Casino Manager.

E. The City is relying upon Developer or the Casino Manager and the Restricted Party and their respective subsidiaries in the exercise of their respective skill, judgment, reputation and discretion with respect to the Project.

F. The execution and delivery of this TRA is required under the terms of the Agreement.

1 Certain provisions of this Agreement will need to be modified for the Restricted Parties who are individuals.

NOW, THEREFORE, in consideration of the foregoing premises and in order to induce the City to execute and deliver the Agreement, the Restricted Party, acknowledging that, but for the execution and delivery of this TRA, the City would not have entered into the Agreement with Developer, hereby covenants and agrees as follows:

1. Without first obtaining the prior written consent of the City, the Restricted Party shall not, whether by operation of law or otherwise, take action within its control to effect or consent to the following transfers (each a "**Restricted Transfer**"):

(a) consummate a sale, transfer or assignment of all or substantially all of its assets or its Direct or Indirect Interest in the Developer or Casino Manager;

(b) consummate a merger or consolidation with any other corporation or entity, other than a merger or consolidation which would result in the voting securities of the Restricted Party outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into the voting securities of the surviving entity) more than fifty percent (50%) of the combined voting power of the voting securities of the Restricted Party or such surviving entity outstanding immediately after such merger or consolidation;

(c) liquidate all or substantially all of its assets or its ownership interest in the Developer or Casino Manager; or

(d) change its ownership through a transaction or a series of related transactions, such that any person or entity is or becomes the beneficial owner, directly or indirectly, of securities in the Restricted Party representing more than fifty percent (50%) of the combined voting power of the voting securities of the Restricted Party.

Notwithstanding any provision to the contrary set forth in this TRA, this TRA shall terminate in the event that (i) Developer or Casino Manager or its successor(s) successfully completes an initial public offering of its securities so that it becomes a Publicly Traded Corporation and its securities are traded on NASDAQ or the New York Stock Exchange, or (ii) Restricted Party ceases to be a Restricted Party.

A Restricted Party other than an institutional investor, institutional lender of Developer or Casino Manager, or a Publicly Traded Corporation shall (i) place a legend on its ownership certificate, if any, or include in its organizational documents, a transfer restriction requiring the owners of such Restricted Party to comply with the terms of this TRA, and (ii) either enforce such provision or acknowledge that the City is a third party beneficiary of such provision and may enforce such provision in its own name.

2. Nothing contained in this TRA shall prevent a (i) Restricted Transfer (other than a transfer by Bally's Corporation or a subsidiary or other Person Controlled by Bally's Corporation of its Direct or Indirect Interest in the Developer or Casino Manager to a Person not a subsidiary of Bally's Corporation) to a Permitted Transferee (hereinafter defined); or (ii) pledge or grant of a security interest by the Restricted Party of its Direct or Indirect Interest in or assets of Developer or Casino Manager to one or more institutional lenders or investors or their agents or representatives (all of the foregoing, a "**Lender Parties**"), *provided* that the prior written consent of the City shall be required if any such Lender Parties in the exercise of their remedies desires to

effect a Restricted Transfer to a person or entity that would not be a Permitted Transferee; or (iii) complying with an order of the Board requiring a Restricted Transfer to be consummated. For purposes of this Agreement, a "**Permitted Transferee**" shall mean any of the following:

(a) a Restricted Party's spouse, child, brother, sister or parent ("**Family Members**");

(b) an entity whose beneficial owners consist solely of the Restricted Party or Family Members of the Restricted Party;

(c) another Restricted Party (as defined in the Agreement) or a beneficial owner of the Restricted Party if the Restricted Party is an entity;

(d) a person or entity who (a) does not, at the time of the transfer, manage, operate or have more than a ten percent (10%) ownership interest in any casino property (other than the Project) that is located within the Restricted Area, and (b) (x) will not, as a result of such Restricted Transfer, be a Restricted Party (as defined in the Agreement) or (y) if such person or entity will as a result of such Restricted Transfer be a Restricted Party (as defined in the Agreement) , such person or entity shall be required to execute a TRA in favor of the City;

(e) if the ownership interests subject to the applicable transfer are securities of a Publicly Traded Corporation, a person or entity who acquires such ownership interests in an open market transactions over a national securities exchange or in an underwritten public offering;

(f) a Publicly Traded Corporation engaged in the business of owning, operating or managing casino properties and such Publicly Traded Corporation does not, at the time of the transfer, own, manage, operate or have financial interest in any Restricted Activity (as defined in the Agreement) that is located within the Restricted Area (as defined in the Agreement);

(g) the issuer of the ownership interests subject to the applicable transfer; or

(h) any person or entity provided such person or entity does not, at the time of the transfer, manage, operate or have more than a ten percent (10%) ownership interest in any casino property (other than the Project) that is located within the Restricted Area.

3. The procedure for obtaining approval of a Restricted Transfer by the under this TRA shall be as follows:

(a) The Restricted Party shall notify the City as promptly as practicable upon the Restricted Party becoming aware of any Restricted Transfer or proposed Restricted Transfer. The City shall have a period of thirty (30) calendar days to consider a Restricted Transfer after a written request for approval of such Restricted Transfer has been provided to the City by the Restricted Party. If the City fails to take any action concerning a proposed Restricted Transfer within such 30-day period, the Restricted Transfer shall be deemed to have been approved. The Restricted Party shall provide the City with such information as the City may reasonably request regarding

such Restricted Transfer to the extent that such information is either in possession of the Restricted Party or reasonably accessible to it. Pursuant to the request of either Party, the Restricted Party and the City agree to meet and confer during the review process to discuss any proposed Restricted Transfer.

(b) [Intentionally Omitted.]

(c) In the event that the City shall withhold approval of any Restricted Transfer, such withholding of approval shall be in writing and shall set forth with reasonable specificity each of the reasons why such approval has been withheld. In the event that the Restricted Party disputes the withholding of such approval, then the Restricted Party shall have the right to invoke the dispute resolution provisions set forth in this TRA.

4. Each Party hereby represents and warrants that:

(a) it is duly organized, validly existing and in good standing under the applicable laws of the jurisdiction of its formation, with full power and authority to execute and deliver this TRA and consummate the transactions contemplated hereby;

(b) the execution and delivery of this TRA and the consummation and performance by it of the transactions contemplated hereby: (1) have been duly authorized by all actions required under the terms and provisions of the instruments governing its existence ("**Governing Instruments**") and the laws of the jurisdiction of its formation; (2) create legal, valid and binding obligations of it enforceable in accordance with the terms hereof, subject to the effect of any applicable bankruptcy, moratorium, insolvency, reorganization or other similar law affecting the enforceability of creditors' rights generally and to the effect of general principles of equity which may limit the availability of equitable remedies (whether in a proceeding at law or in equity); (3) do not require the approval or consent of any federal, state, county or municipal governmental authority, agency or instrumentality, including the City, State or the United States and all executive, legislative, judicial and administrative departments and bodies thereof (each a "**Governmental Authority**") having jurisdiction over it, except those already obtained; and (4) do not and will not constitute a violation of, or default under, its Governing Instruments, the Act, the Sports Wagering Act, and all laws, ordinances, statutes, executive orders, rules, zoning requirements and agreements of any Governmental Authority that are applicable to the acquisition, remediation, renovation, demolition, development, construction and operation of the Project, including all required permits, approvals and rules, guidelines or restrictions enacted or imposed by Governmental Authorities, but only to the extent that such laws, ordinances, statutes, executive orders, zoning requirements, agreements, permits, approvals, rules, guidelines and restrictions are valid and binding on Casino Manager (the "**Government Requirements**"), agreement, commitment or instrument to which it is a party or by which any of its assets are bound, except for such violations or defaults under any Government Requirements, agreements, commitments or instruments that would not result in a material adverse change in the condition financial or otherwise, or in the results of operations or business; and

(c) a true, complete and accurate copy of the Restricted Party's operating agreement dated ______________ is attached hereto as Exhibit F-1.

5. Each Party covenants with the other Party as follows:

(a) none of the representations and warranties of such Party in this TRA contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained therein or herein not misleading.

(b) the Restricted Party shall give notice to the City promptly upon the occurrence of any Event of Default (hereinafter defined). Each notice pursuant to this subparagraph shall be accompanied by a statement setting forth details of the Event of Default referred to therein and stating what action the Restricted Party proposes to take with respect thereto.

(c) the Restricted Party agrees, upon the reasonable request of the City, to do any act or execute any additional documents as may be reasonably required by the City to accomplish or further confirm the provisions of this TRA.

6. The City may declare the Restricted Party to be in default under this TRA upon the occurrence of any of the following events ("**Events of Default**").

(a) If the Restricted Party fails to comply with any covenants and agreements made by it in this TRA (other than those specifically described in any other subparagraph of this paragraph 6) and such noncompliance continues for thirty (30) days after written notice from the City, provided, however, that if any such noncompliance is reasonably susceptible of being cured within sixty (60) days, but cannot with due diligence be cured within thirty (30) days, and if the Restricted Party commences to cure any noncompliance within said thirty (30) days and diligently prosecutes the cure to completion, then the Restricted Party shall not during such period of diligently curing be in default hereunder as long as such default is completely cured within sixty (60) days of the first notice of such default to the Restricted Party;

(b) If any representation or warranty made by the Restricted Party hereunder was false or misleading in any material respect as of the time made;

(c) If any of the following events occur with respect to the Restricted Party: (i) by order of a court of competent jurisdiction, a receiver, liquidator or trustee of the Restricted Party or of any of the property of the Restricted Party (other than non-material property and with respect to which the appointment hereinafter referred to would not materially adversely affect the financial condition of the Restricted Party) shall be appointed and shall not have been discharged within ninety (90) days; (ii) a petition in bankruptcy, insolvency proceeding or petition for reorganization shall have been filed against the Restricted Party and same is not withdrawn, dismissed, canceled or terminated within ninety (90) days; (iii) the Restricted Party is adjudicated bankrupt or insolvent or a petition for reorganization is granted (without regard for any grace period provided for herein); (iv) if there is an attachment or sequestration of any of the property of the Restricted Party and same is not discharged or bonded over within ninety (90) days; (v) if

the Restricted Party files or consents to the filing of any petition in bankruptcy or commences or consents to the commencement of any proceeding under the Federal Bankruptcy Code or any other law, now or hereafter in effect, relating to the reorganization of the Restricted Party or the arrangement or readjustment of the debts of the Restricted Party; or (vi) if the Restricted Party shall make an assignment for the benefit of its creditors or shall admit in writing its inability to pay its debts generally as they become due or shall consent to the appointment of a receiver, trustee or liquidator of the Restricted Party or of all or any material part of its property; or

(d) If the Restricted Party ceases to do business or terminates its business for any reason whatsoever or shall cause or institute any proceeding for the dissolution of the Restricted Party, in each case other than as part of a Restricted Transfer to a Permitted Transferee, unless the City has first approved the Restricted Party's successor pursuant to the terms of this TRA.

7. Remedies:

(a) Upon an Event of Default, the City shall have the right if it so elects to: (i) any and all remedies available at law or in equity; or (ii) institute and prosecute proceedings to enforce in whole or in part the specific performance of this TRA by the Restricted Party, or to enjoin or restrain the Restricted Party from commencing or continuing said breach, or to cause by injunction the Restricted Party to correct and cure said breach or threatened breach without the need to post any bond therefor. None of the remedies enumerated herein is exclusive and nothing herein shall be construed as prohibiting the City from pursuing any other remedies at law, in equity or otherwise available to it under this TRA, including seeking damages for breach of this Agreement.

(b) In the event that the City shall fail to honor any of its obligations under this TRA, the Restricted Party shall have the same remedies that the City has under paragraph 7(a) of this TRA.

(c) The rights and remedies of each Party whether provided by law or by this TRA, shall be cumulative, and the exercise by a Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach, to the extent permitted by law. No waiver made by a Party shall apply to obligations beyond those expressly waived in writing.

8. If any of the provisions of this TRA, or the application thereof to any Person or circumstances, shall, to any extent, be invalid or unenforceable, the remainder of this TRA, or the application of such provision or provisions to Persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and every provision of this TRA shall be valid and enforceable to the fullest extent permitted by law.

9. This writing is intended by the Parties as a final expression of this TRA, and is intended to constitute a complete and exclusive statement of the term of the agreement among the Parties. There are no promises or conditions, expressed or implied, unless contained in this writing. No course of dealing, course of performance or trade usage, and no parole evidence of

any nature, shall be used to supplement or modify the terms of this TRA. No amendment, modification, termination or waiver of any provision of this TRA, shall in any event be effective unless the same shall be in writing and signed by the City and the Restricted Party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No waiver shall be implied from the City's delay in exercising or failing to exercise any right or remedy against Developer or any Restricted Party in connection with any transfer restriction imposed on Developer or any Restricted Party under the Agreement or under any other Transfer Restriction Agreement.

10. Notices shall be given as follows:

(a) Any notice, demand or other communication which any Party may desire or may be required to give to any other Party shall be in writing delivered by (i) hand-delivery, (ii) a nationally recognized overnight courier, or (iii) mail (but excluding electronic mail, i.e., "**e-mail**") addressed to a Party at its address set forth below, or to such other address as the Party to receive such notice may have designated to all other Parties by notice in accordance herewith:

If to City:	Mayor City of Chicago 121 N. LaSalle Street, 5th Floor Chicago, Illinois 60602
with copies to:	Corporation Counsel City of Chicago 121 N. LaSalle Street, Room 600 Chicago, Illinois 60602
If to the Restricted Party:	________________ ________________ ________________ ________________
with copies to:	________________ ________________ ________________

(b) Any such notice, demand or communication shall be deemed delivered and effective upon actual delivery.

11. [Intentionally Omitted].

12. The terms of this TRA shall bind and benefit the legal representatives, successors and assigns of the City and the Restricted Party; provided, however, that, other than as part of a Restricted Transfer to a Permitted Transferee, the Restricted Party may not assign this TRA, or assign or delegate any of its rights or obligations under this TRA, without the prior written consent of the City in each instance.

13. This TRA shall be governed by, and construed in accordance with, the local laws of the State without application of its law of conflicts principles.

14. Submission to Jurisdiction

(a) The Parties expressly agree that the sole and exclusive place, status and forum of this TRA shall be the City. All actions and legal proceedings which in any way relate to this TRA shall be solely and exclusively brought, heard, conducted, prosecuted, tried and determined within the City. It is the express intention of the Parties that the exclusive venue of all legal actions and procedures of any nature whatsoever which related in any way to this TRA shall be the Circuit Court of Cook County, Illinois, or the United States District Court for the Northern District of Illinois (the "**Court**").

(b) If at any time during the Term, the Restricted Party is not a resident of the State or has no officer, director, employee, or agent thereof available for service of process as a resident of the State, or if any permitted assignee thereof shall be a foreign corporation, partnership or other entity or shall have no officer, director, employee, or agent available for service of process in the State, Restricted Party or its assignee hereby designates the Secretary of State of the State of Illinois, as its agent for the service of process in any court action between it and the City or arising out of or relating to this TRA and such service shall be made as provided by the laws of the State for service upon a non-resident.

15. The Restricted Party acknowledges that it expects to derive a benefit as a result of the Agreement because of its relationship to Developer or Casino Manager, and that it is executing this TRA in consideration of that anticipated benefit.

CITY OF CHICAGO, ILLINOIS, a municipal corporation

By:___________________________________
Its:________________________________

____________________, a ________________

By:___________________________________
Its:________________________________

[Signature Page – Restricted Party Transfer Restriction Agreement]

EXHIBIT G

FORM OF CLOSING CERTIFICATE

Pursuant to Section 2.3 of that certain Host Community Agreement dated as of ___________ ___, 2022 (the "**Agreement**"), by and among the City of Chicago, Illinois, a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois (the "**City**") and _______________, a Delaware limited liability company (the "**Developer**"), the Developer hereby certifies to the City that:

(a) Certificate of Legal Existence. Attached hereto as "**Exhibit A**" is a true, correct and complete copy of the Articles of Organization of the Developer, together with any and all amendments thereto, as on file with the any and all amendments thereto, as on file with the Delaware Secretary of State, and no action has been taken to amend, modify or repeal such Articles of Organization, the same being in full force and effect in the attached form as of the date hereof.

(b) Limited Liability Agreement. Attached hereto as "**Exhibit B**" is a true, correct and complete copy of the Developer's limited liability agreement, together with any and all amendments thereto.

(c) Resolutions. Attached hereto as "**Exhibit C**" is a true and correct copy of the resolutions approving the execution, delivery and performance of the obligations of the Developer under the Agreement that have been duly adopted at a meeting of, or by the written consent of, the [managers/members of] Developer, and none of such resolutions have been amended, modified, revoked or rescinded in any respect since their respective dates of execution, and all of such resolutions are in full force and effect on the date hereof in the form adopted.

(d) Incumbency. Attached hereto as "**Exhibit D**" is an incumbency certificate of the managers of the Developer, which individuals are duly elected, qualified and acting managers of the Developer, each such individual holding the office(s) set forth opposite his or her respective name as of the date hereof, and the signature set forth beside the respective name as of the date hereof, and the signature set forth beside the respective name and title of said managers and authorized signatories are true, authentic signatures.

(e) Certificate of Good Standing. Attached hereto as "**Exhibit E**" are original certificates dated as of a recent date from the Delaware Secretary of State or other appropriate authority of each jurisdiction in which the Developer was, respectively, incorporated or qualified to do business, such certificate evidencing the good standing of the Developer in such jurisdictions.

Dated as of: _____________, 20__

[Insert Signature Block]

EXHIBIT H

FORM OF RELEASE*

This Release ("**Release**") is made as of this ___ day of __________, 20__, by ___________________________, a ______________ (the "**Releasor**"), having its office at ____ to and for the benefit of the City of Chicago, Illinois, a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois (the "**City**").

R E C I T A L S

A. _________________________ and the City have executed that certain Host Community Agreement dated ____________ __, 20__, as the same may from time to time be amended ("**Agreement**," with capitalized terms herein having the same meaning as therein defined, unless expressly otherwise defined herein), which Agreement sets forth the terms and conditions upon which Releasor has agreed to develop, construct, operate and maintain the Project.

B. The execution and delivery of this Release is required under the terms of the Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and in order to induce the City to execute and deliver the Agreement, Releasor acknowledging that, but for the execution and delivery of this Release, the City would not have entered into the Agreement with Releasor, hereby covenants and agrees as follows:

1. The Releasor and its successors and assigns, and on behalf of its subsidiaries and their successors and assigns, hereby release: (i) the City including its City Counsel, Corporation Counsel, all departments, agencies and commissions thereof; (ii) Taft Stettinius & Hollister LLP; and (iii) their respective elected and appointed officials, principals, agents, subcontractors, consultants, attorneys, advisors, employees, officers, directors and members of the City's casino evaluation team (the "**Releasees**"), and hold each of them harmless from any damages, claims, rights, liabilities, or causes of action, which the Releasor ever had, now has, may have or claim to have, in law or in equity, against any or all of the Releasees, arising out of or directly or indirectly related to the (i) selection and evaluation of its development proposal and related submissions; (ii) negotiation of the Agreement between the City and the Releasor; or (iii) any matters pending or coming before the Board (the "**Released Matters**"). This Release specifically excludes any liability arising from any fraud or intentional misrepresentation of the Releasees.

2. The Releasor and its successors and assigns, and on behalf of its subsidiaries and assigns will not ever institute any action or suit at law or in equity against any Releasee, nor institute, prosecute or in any way aid in the institution or prosecution of any claim, demand,

* Separate forms modified as appropriate to be signed by Developer, and all direct or indirect owners of Developer.

action, or cause of action for damages, costs, loss of services, expenses, or compensation for or on account of any of the Released Matters.

3. Releasor hereby represents and warrants that:

(a) it is duly organized, validly existing and in good standing under the applicable laws of the jurisdiction of its formation, with full power and authority to execute and deliver this Release;

(b) the execution and delivery of this Release: (1) have been duly authorized by all actions required under the terms and provisions of the instruments governing its existence ("**Governing Instruments**"), and the laws of the jurisdiction of its formation; (2) create legal, valid and binding obligations of it enforceable in accordance with the terms hereof, subject to the effect of any applicable bankruptcy, moratorium, insolvency, reorganization or other similar law affecting the enforceability of creditors' rights generally and to the effect of general principles of equity which may limit the availability of equitable remedies (whether in a proceeding at law or in equity); (3) do not require the approval or consent of any Governmental Authority having jurisdiction over it, except those already obtained; and (4) do not and will not constitute a violation of, or default under, its Governing Instruments, any Government Requirements, agreement, commitment or instrument to which it is a party or by which any of its assets are bound, except for such violations or defaults under any Government Requirements, agreements, commitments or instruments that would not result in a material adverse change in the condition, financial or otherwise, or in the results of operations or business affairs of the Releasor and its subsidiaries, considered as one enterprise.

4. If any of the provisions of this Release, or the application thereof to any Person or circumstances, shall, to any extent, be invalid or unenforceable, the remainder of this Release, or the application of such provision or provisions to Persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and every provision of this Release shall be valid and enforceable to the fullest extent permitted by law.

5. No amendment, modification, termination or waiver of any provision of this Release, shall in any event be effective unless the same shall be in writing and signed by the City, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

6. This Release shall be governed by, and construed in accordance with, the local laws of the State without application of its law of conflicts principles.

7. Submission to Jurisdiction

(a) It is the express intention of the Releasor and the City that the exclusive venue of all legal actions and procedures of any nature whatsoever which relate in any way to this Release shall be filed in the Circuit Court of Cook County, Illinois, or the United States District Court for the Northern District of Illinois (the "**Court**").

(b) If Releasor is not a resident of the State or has no officer, director, employee, or agent thereof available for service of process as a resident of the State,

Releasor hereby designates the Secretary of State of the State of Illinois, as its agent for the service of process in any court action between it and the City or arising out of or relating to this Release and such service shall be made as provided by the laws of the State for service upon a non-resident.

[Insert signature block]

[Signature Page – Release]

EXHIBIT I

TYPES AND AMOUNTS OF INSURANCE

Type of Coverage	Policy Limit	Coverage Requirements
Commercial General Liability	$2,000,000, per occurrence $2,000,000, personal and advertising injury aggregate	All operations (including products/completed operations, personal injury, and advertising), blanket contractual and covering all equipment used in performance of this Agreement (whether owned, rented or borrowed) with combined single limits for broad form property damage and bodily injury (including death). This coverage shall include broad form contractual liability coverage.
Excess/Umbrella Liability	$5,000,000, per occurrence/aggregate limit	Follow form Commercial General and Automobile Liability.
Property Insurance	"All Risk"	Fire and extended coverage insurance, including earthquake, flood, terrorism, and business interruption covering loss and/or damage to the Project, in the amount of the full replacement value thereof.
Workers Compensation Employers Liability	Statutory limits $1,000,000, per accident/disease, per employee	Workers compensation as required by Illinois statutory limits covering all of Developer's personnel performing work in connection with the Agreement.
Automobile Liability	$1,000,000 combined single limit/per accident	For loss due to bodily injury or death of any person, or property damage arising out of the ownership, maintenance, operation or use of any motor vehicle whether owned, non-owned, hired or leased.

EXHIBIT J

FORM OF ESTOPPEL CERTIFICATE

[DATE]

[Name of Financial Institution] ("Addressee")
[Address of Financial Institution]
Attn:____________________

Re: Host Community Agreement between the City of Chicago, Illinois and ____________________, a Delaware limited liability company (the "**Developer**"), dated ____________ __, 20__ (the "**Agreement**")

Ladies and Gentlemen:

The undersigned, the City of Chicago, Illinois, a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois ("**City**"), provides this Estoppel Certificate ("**Certificate**") to you with respect to those matters and only those matters set forth herein concerning the above-referenced Agreement:

As of the date of this Certificate, the undersigned hereby certifies that to the undersigned's actual knowledge:

1. Attached hereto as Exhibit A is a true, accurate, and complete copy of the Agreement. The Agreement has not been amended except as set forth in Exhibit A.

2. The Agreement has not been terminated or canceled. The City has/has not sent to Developer notice in accordance with the terms of the Agreement alleging that the Developer is in default under the Agreement. **[If a notice has been sent, a copy is attached].**

3. The City has/has not received notice from Developer in accordance with the terms of the Agreement alleging that the City is in default under the Agreement. **[If a notice has been sent, a copy is attached].**

4. The Closing Date, as such term is defined in the Agreement, **[occurred, _________/has not occurred].**

Notwithstanding the representations herein, in no event shall this Certificate subject the City to any liability whatsoever, despite the negligent or otherwise inadvertent failure of the City to disclose correct or relevant information, or constitute a waiver with respect to any act of Developer for which approval by the City was required but not sought or obtained, provided that, as between the City and Addressee, the City shall be estopped from denying the accuracy of this Certificate. No party other than Addressee shall have the right to rely on this Certificate. In no event shall this Certificate amend or modify the Agreement, and the City shall not be estopped from denying the accuracy of this Certificate as between the City and any party other than the Addressee.

Name:___________________________________
in his/her capacity as _____________________
of the City of Chicago, Illinois

[Signature Page – Estoppel Certificate]

EXHIBIT K

FORM OF RESTRICTED PARTY RADIUS RESTRICTION AGREEMENT*

This Radius Restriction Agreement ("**RRA**") is made as of this ___ day of __________, 20__, by ____________________________________ (the "**Restricted Party**"), having its office at ____ to and for the benefit of the City of Chicago, Illinois, a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois (the "**City**"). Restricted Party and the City shall be referred to herein individually as a "**Party**" and collectively as the "**Parties**".

RECITALS

A. ____________________, LLC, a Delaware limited liability company (the "**Developer**"), and the City have executed that certain Host Community Agreement dated ______________, 20__, as the same may from time to time be amended ("**Agreement**," with capitalized terms herein having the same meaning as therein defined, unless expressly otherwise defined herein), which Agreement sets forth the terms and conditions upon which Developer has agreed to develop, construct, operate and maintain the Project.

B. The Restricted Party, as an indirect owner of Developer who is not a Passive Investor, will benefit from the financial success of Developer.

C. The execution and delivery of this RRA is required under the terms of the Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and in order to induce the City to execute and deliver the Agreement, the Restricted Party, acknowledging that, but for the execution and delivery of this RRA, the City would not have entered into the Agreement with Developer, hereby covenants and agrees as follows:

1. The Restricted Party shall not itself, directly or indirectly, nor permit any of its subsidiaries or any Persons controlled by it, directly or indirectly, to: (i) manage, operate or become financially interested in any casino, whether land based or riverboat, or in any other establishment at which Gambling Games or historical horse racing are authorized (a "**Restricted Activity**"), within the Restricted Area other than the Project; (ii) make application for any franchise, permit or license to manage or operate any Restricted Activity within the Restricted Area other than the Project; or (iii) respond positively to any request for proposal to develop, manage, operate or become financially interested in any Restricted Activity within the Restricted Area (the "**Radius Restriction**") other than the Project.

2. It is the desire of the Parties that the provisions of this RRA be enforced to the fullest extent permissible under the laws and public policies in each jurisdiction in which enforcement might be sought. Accordingly, if any particular portion of this RRA shall ever be adjudicated as invalid or unenforceable, or if the application thereof to any Party or circumstance

* Certain provisions of this Agreement will need to be modified for the Restricted Parties who are individuals.

shall be adjudicated to be prohibited by or invalidated by such laws or public policies, such section or sections shall be (i) deemed amended to delete therefrom such portions so adjudicated or (ii) modified as determined appropriate by such a court, such deletions or modifications to apply only with respect to the operation of such section or sections in the particular jurisdictions so adjudicating on the Parties and under the circumstances as to which so adjudicated.

3. The Restricted Party hereby represents and warrants that:

(a) it is duly organized, validly existing and in good standing under the applicable laws of the jurisdiction of its formation, with full power and authority to execute and deliver this RRA and consummate the transactions contemplated hereby; and

(b) the execution and delivery of this RRA and the consummation and performance by it of the transactions contemplated hereby: (1) have been duly authorized by all actions required under the terms and provisions of the instruments governing its existence ("**Governing Instruments**") and the laws of the jurisdiction of its formation; (2) create legal, valid and binding obligations of it enforceable in accordance with the terms hereof, subject to the effect of any applicable bankruptcy, moratorium, insolvency, reorganization or other similar law affecting the enforceability of creditors' rights generally and to the effect of general principles of equity which may limit the availability of equitable remedies (whether in a proceeding at law or in equity); (3) do not require the approval or consent of any Governmental Authority having jurisdiction over it, except those already obtained; and (4) do not and will not constitute a violation of, or default under, its Governing Instruments, any Government Requirements, agreement, commitment or instrument to which it is a party or by which any of its assets are bound, except for such violations or defaults under any Government Requirements, agreements, commitments or instruments that would not result in a material adverse change in the condition financial or otherwise, or in the results of operations or business affairs of the Restricted Party and its subsidiaries, considered as one enterprise.

4. The Restricted Party covenants with the City as follows:

(a) none of the representations and warranties in this RRA contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained therein or herein not misleading;

(b) the Restricted Party shall give notice to the City promptly upon the occurrence of any Event of Default. Each notice pursuant to this subparagraph shall be accompanied by a statement setting forth details of the Event of Default referred to therein and stating what action Related Party proposes to take with respect thereto; and

5. The City may declare the Restricted Party to be in default under this RRA upon the occurrence of any of the following events (each, an "**Event of Default**"):

(a) If the Restricted Party fails to comply with any covenants and agreements made by it in this RRA and such noncompliance continues for thirty (30) days after written notice from the City, provided, however, that if any such noncompliance is

reasonably susceptible of being cured within sixty (60) days, but cannot with due diligence be cured within thirty (30) days, and if the Restricted Party commences to cure any noncompliance within said thirty (30) days and diligently prosecutes the cure to completion, then the Restricted Party shall not during such period of diligently curing be in default hereunder as long as such default is completely cured within sixty (60) days of the first notice of such default to the Restricted Party; and

(b) If any representation or warranty made by the Restricted Party hereunder was false or misleading in any material respect as of the time made.

6. Remedies:

(a) Upon an Event of Default, the City shall have the right if it so elects to: (i) any and all remedies available at law or in equity; or (ii) institute and prosecute proceedings to enforce in whole or in part the specific performance of this RRA by the Restricted Party, or to enjoin or restrain the Restricted Party from commencing or continuing said breach, or to cause by injunction the Restricted Party to correct and cure said breach or threatened breach without the need to post any bond therefor. None of the remedies enumerated herein is exclusive and nothing herein shall be construed as prohibiting the City from pursuing any other remedies at law, in equity or otherwise available to it under this RRA, including seeking damages for breach of this Agreement.

(b) The rights and remedies of the City whether provided by law or by this RRA, shall be cumulative, and the exercise by the City of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach, to the extent permitted by law. No waiver made by the City shall apply to obligations beyond those expressly waived in writing.

7. If any of the provisions of this RRA, or the application thereof to any Person or circumstances, shall, to any extent, be invalid or unenforceable, the remainder of this RRA, or the application of such provision or provisions to Persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and every provision of this RRA shall be valid and enforceable to the fullest extent permitted by law.

8. This writing is intended by the Parties as a final expression of this RRA, and is intended to constitute a complete and exclusive statement of the term of the agreement among the Parties. There are no promises or conditions, expressed or implied, unless contained in this writing. No course of dealing, course of performance or trade usage, and no parol evidence of any nature, shall be used to supplement or modify the terms of this RRA. No amendment, modification, termination or waiver of any provision of this RRA, shall in any event be effective unless the same shall be in writing and signed by the City, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No waiver shall be implied from the City's delay in exercising or failing to exercise any right or remedy against Developer or any Restricted Party in connection with any radius restriction imposed on Developer or any Restricted Party under the Agreement or under any other Radius Restriction Agreement.

9. Notices shall be given as follows:

(a) Any notice, demand or other communication which any Party may desire or may be required to give to any other Party hereto shall be in writing delivered by (i) hand-delivery, (ii) a nationally recognized overnight courier, or (iii) mail (but excluding electronic mail, i.e., "**e-mail**") addressed to a Party at its address set forth below, or to such other address as the Party to receive such notice may have designated to all other Parties by notice in accordance herewith:

If to City:	Mayor City of Chicago 121 N. LaSalle Street, 5th Floor Chicago, Illinois 60602
with copies to:	Corporation Counsel City of Chicago 121 N. LaSalle Street, Room 600 Chicago, Illinois 60602
If to the Restricted Party:	____________________ ____________________ ____________________
with copies to:	____________________ ____________________ ____________________

(b) Any such notice, demand or communication shall be deemed delivered and effective upon actual delivery.

10. [Intentionally Omitted].

11. The terms of this RRA shall bind and benefit the legal representatives, successors and assigns of the City and the Restricted Party.

12. This RRA shall be governed by, and construed in accordance with, the local laws of the State without application of its law of conflicts principles.

13. Submission to Jurisdiction

(a) The Parties expressly agree that the sole and exclusive place, status and forum of this RRA shall be the City. All actions and legal proceedings which in any way relate to this RRA shall be solely and exclusively brought, heard, conducted, prosecuted, tried and determined within the City. It is the express intention of the Parties that the exclusive venue of all legal actions and procedures of any nature whatsoever which

related in any way to this RRA shall be the Circuit Court of Cook County, Illinois, or the United States District Court for the Northern District of Illinois (the "**Court**").

(b) If at any time during the Term, the Restricted Party is not a resident of the State or has no officer, director, employee, or agent thereof available for service of process as a resident of the State, or if any permitted assignee thereof shall be a foreign corporation, partnership or other entity or shall have no officer, director, employee, or agent available for service of process in the State, the Restricted Party or its assignee hereby designates the Secretary of State of the State of Illinois, as its agent for the service of process in any court action between it and the City or arising out of or relating to this RRA and such service shall be made as provided by the laws of the State for service upon a non-resident.

14. The Restricted Party acknowledges that it expects to derive a benefit as a result of the Agreement to Developer because of its relationship to Developer, and that it is executing this RRA in consideration of that anticipated benefit.

CITY OF CHICAGO, ILLINOIS, a municipal corporation

By:___________________________________
Its:________________________________

[insert other signature blocks]

[Signature Page – Radius Restriction Agreement]

EXHIBIT L

FORM OF NOTICE OF AGREEMENT

THIS INSTRUMENT WAS
PREPARED BY AND AFTER
RECORDING MAIL TO:

Corporation Counsel
City of Chicago
121 N. LaSalle Street, Room 600
Chicago, IL 60602

NOTICE OF AGREEMENT

THIS NOTICE OF AGREEMENT (this "**Notice**"), dated as of the ___ day of ___________, 20__, is made by and among the City of Chicago, Illinois, a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois (the "**City**"), and _________________, LLC, a Delaware limited liability company (the "**Developer**").

R E C I T A L S

A. The City and the Developer entered into that certain Host Community Agreement dated _______________, 20__, (the "**Agreement**") which sets forth their mutual rights and obligations with respect to the development, construction and operation of a destination resort casino complex (the "**Project**"); and

B. The City and Developer desire to set forth certain terms and provisions contained in the Agreement in this Notice for recording purposes.

NOW, THEREFORE, for and in consideration of the premises and the covenants and conditions set forth in the Agreement, the City and Developer do hereby covenant, promise and agree as follows. Capitalized terms not otherwise defined herein shall be defined as provided in the Agreement.

1. Developer has enforceable rights to acquire the Project Site (as hereinafter described) on which the Project is to be developed, constructed and operated.

2. A description of the Project Site is attached hereto as Exhibit 1 and by this reference made a part hereof.

3. The Project and its operations are subject to the terms and conditions set forth in the Agreement, including but not limited to the following restrictions:

(a) If any interest of Developer is Transferred by reason of any foreclosure, trustee's deed or any other proceeding for enforcement of any mortgage recorded against the Project Site, then the holder of such mortgage (the "**Mortgagee**") (or any nominee of the Mortgagee) shall immediately upon such Transfer assume the obligations of the Developer under the Agreement, except those which by their nature cannot be performed or cured by any person other than the Developer;

(b) Developer shall not directly or indirectly, through one or more intermediary companies, engage in or permit any Transfer of the Project, the Project Site or any ownership interest therein other than a Permitted Transfer (as defined in the Agreement); and

(c) Developer has acknowledged and agreed in the Agreement that the obligations that Developer is to perform under the Agreement for the City's benefit are personal in nature. The City is relying upon all Restricted Parties in the exercise of their respective skill, judgement, reputation and discretion with respect to the Project. Any Transfer by a Restricted Party of (x) any ownership interest in any Restricted Party shall be subject to the rules and restrictions set forth in the respective Transfer Restriction Agreement, which Developer shall cause each Restricted Party, as requested by the City, to execute and deliver to the City.

CITY OF CHICAGO, ILLINOIS, a municipal corporation

By:_________________________________

Its:______________________________

___________________, LLC, a Delaware limited liability company

By:_________________________________

Its:______________________________

[Signature Page – Notice of Agreement]

STATE OF ______________)
) SS
COUNTY OF ____________)

I, ________________________, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that _____________________, personally known to me to be the _______________________ of _______________________, a ___________________, whose name is subscribed to the within Instrument, appeared before me this day in person and acknowledged that as such ________________________ s/he signed and delivered the said Instrument of writing as his/her free and voluntary act and as the free and voluntary act and deed of said company, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal, this _____ day of __________________, 20__.

____
Notary Public

My Commission Expires:

____

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, ________________________, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that _________________________, personally known to me to be the ________________________ of The City of Chicago, Illinois, a municipal corporation, whose name is subscribed to the within Instrument, appeared before me this day in person and acknowledged that as such ________________________ s/he signed and delivered the said Instrument of writing as his/her free and voluntary act and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal, this _____ day of __________________, 20__.

____
Notary Public

My Commission Expires:

____

[INSERT LEGAL DESCRIPTION AS EXHIBIT 1 BEFORE RECORDING]

EXHIBIT M

PERMITTED EXCEPTIONS

[See attached].

SCHEDULE B, PART II
EXCEPTIONS

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

General Exceptions

1. **Rights or claims of parties in possession not shown by Public Records.**

2. **Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the Land.**

3. **Easements, or claims of easements, not shown by the Public Records.**

4. **Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.**

5. **Taxes or special assessments which are not shown as existing liens by the Public Records.**

6. **We should be furnished a properly executed ALTA statement and, unless the land insured is a condominium unit, a survey if available. Matters disclosed by the above documentation will be shown specifically**

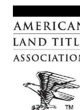
7. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I—Requirements are met.

C 8. Note for additional information: the County Recorder requires that any documents presented for recording contain the following information:
A. The name and address of the party who prepared the document;
B. The name and address of the party to whom the document should be mailed after recording;
C. All permanent real estate tax index numbers of any property legally described in the document;
D. The address of any property legally described in the document;
E. All deeds should contain the address of the grantee and should also note the name and address of the party to whom the tax bills should be sent.
F. Any deeds conveying unsubdivided land, or, portions of subdivided and, may need to be accompanied by a properly executed "plat act affidavit."

In addition, please note that the certain municipalities located in the County have enacted transfer tax ordinances. To record a conveyance of land located in these municipalities, the requirements of the transfer tax ordinances must be met. A conveyance of property in these cities may need to have the

Copyright American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.



SCHEDULE B, PART II
EXCEPTIONS
(continued)

appropriate transfer tax stamps affixed before it can be recorded.

This exception will not appear on the policy when issued.

G 9.

1. Taxes for the year(s) 2021
   2021 taxes are not yet due or payable.

1A. Note: 2020 first installment was due March 2, 2021
    Note: 2020 final installment was due October 1, 2021

Perm tax#	Pcl	Year	1st Inst	Stat	2nd Inst	Stat
17-09-100-004-0000	1 of 12	2020	$28,821.95	Paid	$29,282.49	Paid
This tax number affects part of PIQ and no other property.						
17-09-100-006-0000	2 of 12	2020	$46,370.75	Paid	$47,111.65	Paid
This tax number affects part of PIQ and no other property.						
17-09-100-009-0000	3 of 12	2020	$13,192.92	Paid	$13,403.72	Paid
This tax number affects part of PIQ and no other property.						
17-09-100-015-0000	4 of 12	2020	$87,361.20	Paid	$88,757.00	Paid
This tax number affects part of PIQ and no other property.						
17-09-100-017-0000	5 of 12	2020	$68,886.52	Paid	$69,987.12	Paid
This tax number affects part of PIQ and no other property.						
17-09-100-018-0000	6 of 12	2020	$531,213.51	Paid	$539,700.95	Paid
This tax number affects part of PIQ and no other property.						
17-09-100-020-0000	7 of 12	2020	$905.01	Paid	$919.49	Paid
This tax number affects part of PIQ and no other property.						
17-09-100-021-0000	8 of 12	2020	$7,732.82	Paid	$7,856.32	Paid
This tax number affects part of PIQ and no other property.						
17-09-100-022-0000	9 of 12	2020	$14,379.37	Paid	$14,609.17	Paid
This tax number affects part of PIQ and no other property.						
17-09-100-026-0000	10 of 12	2020	$24,425.87	Paid	$24,816.11	Paid
This tax number affects part of PIQ and no other property.						
17-09-112-008-0000	11 of 12	2020	$51,394.72	Paid	$52,215.89	Paid
This tax number affects part of PIQ and no other property.						
17-09-112-009-0000	12 of 12	2020	Not Billed		Not Billed	
This tax number affects part of PIQ and no other property.						

Perm tax# 17-09-112-009-0000 Pcl 12 of 12 Volume 590

As returned in Schedule A of railroad warrants by Chicago And Northwestern railroad(s). Town of West Chicago.
Year(s) 2016 and prior satisfied

I 10. Note: With regard to parcel 12 of 12, 17-09-112-009, said tax parcel remains on the Railroad Warrants despite having been the South part of 2nd Parcel (Parcel B Therein) of the deed from Chicago and

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Chicago Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

SCHEDULE B, PART II
EXCEPTIONS
(continued)

Northwestern Railroad to Chicago Tribune Company recorded in 1972 as Document 22151487 of that portion of Parcel B described on Schedule A. Said conveyance had no vertical limitation. This should be corrected with the Cook County Assessors Office and this commitment is subject to such further exceptions as may be deemed necessary.

J 11. The following described portion of the Land apparently is not *Separately* assessed, for General Real Estate Taxes for the year(s) 2020 and prior.

That part of the air rights Parcels C, H, E, G and L which are not part of the 32 foot strips acquired in 1980 Deed 25470402.

Parcel O - that part of the 32 foot strip falling that part of Erie Street which is not vacated.

This commitment/policy is subject to said taxes.

D 12. Note: The land lies within a county which is subject to the Predatory Lending Database Act (765 ILCS 77/70 et seq. as amended). A Certificate of Compliance with the act or a Certificate of Exemption therefrom must be obtained at time of closing in order for the Company to record any insured mortgage. If the closing is not conducted by the company, a certificate of compliance or a certificate of exemption must be attached to any mortgage to be recorded.

Note: for Cook, Kane, Will and Peoria counties, the act applies to mortgages recorded on or after July 1, 2010.

AQ 13. Please be advised that our search did not disclose any open mortgages of record. If you should have knowledge of any outstanding obligation, please contact the Title Department immediately for further review prior to closing.

B 14. Existing unrecorded leases and all rights thereunder of the lessees and of any person or party claiming by, through or under the lessees.

A 15. The Company should be furnished a statement that there is no property manager employed to manage the Land, or, in the alternative, a final lien waiver from any such property manager.

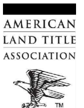
H 16. Due to office closures in place or that might occur, we should be provided with our standard form of indemnity (GAP Indemnity) for defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the Public Records or attaching subsequent to the Commitment Date but prior to the date of recording of the instruments under which the Proposed Insured acquires the estate or interest or mortgage covered by this commitment. Note: Due to office closures related to covid-19 we may be temporarily unable to record documents in the normal course of business.

L 17. Municipal Real Estate Transfer tax stamps (or proof of exemption) must accompany any conveyance and certain other transfers of property located in Chicago. Please contact said municipality prior to closing for its specific requirements, which may include the payment of fees, an inspection or other approvals.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Chicago Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.



SCHEDULE B, PART II
EXCEPTIONS
(continued)

AK 18. We should be furnished (A) certification from the Delaware Secretary of State that IL-777 West Chicago Avenue, LLC, a Limited Liability Company of Delaware, f/k/a IL-Freedom Center, LLC, has properly filed its articles of organization, (B) a copy of the articles of organization, together with any amendments thereto, (C) a copy of the operating agreement, if any, together with any amendments thereto, (D) a list of incumbent managers or of incumbent members if managers have not been appointed, and (E) certification that no event of dissolution has occurred.

Note: In the event of a sale of all or substantially all of the assets of the LLC, or of a sale of LLC assets to a member or manager, we should be furnished a copy of a resolution authorizing the transaction adopted by the members of said LLC.

K 19. The Company will require the following documents for review prior to the issuance of any title insurance predicated upon a conveyance or encumbrance by the corporation named below:

Name of Corporation: Bally's Corporation

(a) A Copy of the corporation By-laws and Articles of Incorporation

(b) An original or certified copy of a resolution authorizing the transaction contemplated herein

(c) If the Articles and/or By-laws require approval by a 'parent' organization, a copy of the Articles and By-laws of the parent

(d) A current dated certificate of good standing from the proper governmental authority of the state in which the entity was created

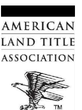
The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

M 20. Easement rights of the public and the Metropolitan Sanitary district of Greater Chicago, in, upon, and under a strip of Land 16 feet wide extending from the West line of North Halsted Street to the North line of West Grand Avenue, the center line of which is described as follows:

Beginning at a point on West line of said North Halsted Street 20 feet North of South line of said West Superior Street; thence Easterly and parallel to South line of said West Superior Street, 79.88 feet; thence Southeasterly along a curve having a radius of 400 feet and tangent to last described course 366.29 feet; thence Southeasterly and tangent to the last described course making an angle of 52 degrees 28 minutes with South Line of Said West Superior Street, 1365.92 feet; thence Southerly along a curve having a radius of 400 feet and tangent to last described course 264.36 feet to a point on a line 39 feet East of and parallel to West line of North Jefferson Street, extended from the South 142.79 feet North of South line of Said West Grand Avenue; thence Southerly along the said line 39 feet East of and parallel to West line of Jefferson Street extended from the South and tangent to last described curve to North line of Said West Grand Avenue; as condemned by the sanitary district of Chicago, a municipal corporation, in proceedings filed in Case No. B280675C, Circuit Court of Cook County Illlinois on November 13, 1933 for building intercepting sewers, drains, etc., wherein a judgment order was entered on February 8, 1934 and order of possession entered on May 16, 1934

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Chicago Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright American Land Title Association. All rights reserved.



The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

SCHEDULE B, PART II
EXCEPTIONS
(continued)

Said rights created originally by Grant of Easement from the City of Chicago to the Metropolitan Sanitary District of Chicago by ordinance passed July 29, 1932 accepted by the district on August 18, 1932 and recorded July 2, 1975 as Document 23137161

(Affects Parcel A and B, North tip of Parcel F and Parcel K, and Parcel M and may affect air rights Parcels J and G and affects Parcel N)

N 21. Easement created by Grant from Charles P. Megan, as trustee of the property of Chicago and Northwestern Railway Company, a corporation of Illinois, Wisconsin and Michigan, to City of Chicago dated June 30, 1937 and recorded December 10, 1937 as Document 12093337, and referenced in Document 14424762, to install, maintain and use a water tunnel 12 feet in diameter, with all necessary appurtenance and appliances, underneath the Switch Yards and Property of the Railway Company in the location shown on the plat attached thereto, and marked Exhibit "A" and made a part thereof, said location being more particularly described as follows:

A strip of Land of sufficient width to accomodate said tunnel and necessary apurtenances and appliances, being at the city-owned property located at the South West Corner of West Chicago Avenue and the North Branch of the Chicago River, extending Southeasterly through said railway company's switch yards and property to the intersection of West Ohio Street and North des Plaines Street. Said Grant provided that the water tunnel shall be constructed and shall be laid and thereafter maintained so that the elevation of the bottom of said tunnel shall not be above 150 feet below city Datum at all points on said property

(Affects a strip of Land through East part of Parcel A, across Parcel M and the Northwest Corner of Parcel B and across Parcel P)

O 22. Rights of the United States of America, the State of Illinois, the municipality and the public in and to that part of the Land falling in the bed of the Chicago River; also the rights of the property owners in and to the free and unobstructed flow of the waters of said river

(Affects Parcels A, B and M)

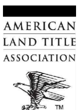
P 23. Easement created by Grant from Chicago and North Western Railway Company to the County of Cook dated December 31, 1957 and recorded July 25, 1958 as Document 17270692 for highway purposes, to construct, reconstruct, repair, and maintain *a grade separation structure or structures* with drainage and other highway facilities and paved approaches thereto, and connected therewith in, under and over that part of the Land lying within the following described tract of Land:

Beginning at a point in the North line of West Ohio Street, said point being 60.57 feet West of the Southeast corner of Lot 8 in Block 69; thence Northwesterly to a point in a line 67.5 feet North of and parallel to the North Line of West Ohio Street; said point being 112.02 feet West of the East line of Lot 7 in said Block 69 (as measured on said parallel line); Thence East on said parallel line 563.98 feet; thence Southeasterly to a point in a line 24.5 feet North of an parallel to the South line of vacated West Ohio Street extended East said point being 507.03 feet East of the center line of Des Plaines Street (as measured on said parallel line); thence West on said parallel line 13.63 feet; thence North at right angles to the last described course 13 feet; thence West on a line 37.5 feet North of and parallel to the South line

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Chicago Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.



SCHEDULE B, PART II
EXCEPTIONS
(continued)

of vacated West Ohio Street extended East 499.97 feet; thence Northwesterly on a line which forms an angle on 127 degrees 19 minutes with the last described course (as measured from East to North to Northwest) to the North Line of West Ohio Street extended east; thence West on said North Line of West Ohio Street to the point of beginning.

(Affects Parcels B and C and P)

Note: a Plat of Survey by the Cook County Superintendent of Highways which includes this easement area was recorded May 19, 1960 as Document 17859455.

Q 24. Easement to construct, reconstruct, repair, operate, and maintain a 60 inch storm sewer and diversion chamber created by Grant from the Chicago and Northwestern Railway Company to the State of Illinois dated July 10, 1959 and recorded July 21, 1959 as Document 17604785 under and across a strip of Land, the center of which is described as follows:

Commencing at the Northwest Corner of Lot 9 in Block 69 aforesaid; thence North along line being the Extension of the West line of Lot 9, a distance of 17 feet for a point of beginning; thence East along a straight line to a point, said point being 10 feet North of the Northwest corner of Lot 7 in Block 62 in aforesaid Subdivision, as measured along the extension of the West line of Lot 7 northerly; thence East along a straight line, said line being an extension to the East of the last described stright line to the Chicago River, as shown on the Plat thereto attached

(Affects 5 foot strip of Land across Parcels B, C and E and P)

R 25. Easement for roadway purposes as created by the grant from the Chicago and Northwestern Railway Company, a Wisconsin corporation, to Paul Grossinger, recorded December 19, 1962 as Document 18678579 for access on, over, and across the following described property:

A strip of Land 20 feet in width in Block 69 in Russell, Mather and Robert's Addition aforesaid bounded and described as follows:

Beginning at a point on the North line of West Ohio Sreet as originally located and established, 25 feet Southwesterly of and measured at right angles to the center line of the Chicago and Northwestern Railway Company, Spur Track I. C. C. No. 44, as now located and established; thence Northwesterly along a line parallel with the center line of Said Spur track to a point 67.50 feet North of, measured at right angles to the North Line of Said Street; thence West along a line parallel with the North line of said street to a point 45 feet Southwesterly of and measured at right angles to the center line of said spur track; thence Southeasterly along a line parallel with the center line of said spur track to the North line of said street; thence East along the North line of said street to the point of beginning.

(Affects a rectangular part of Parcel C, along Southwesterly line thereof)

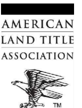
S 26. Note for information: Easement for 10 foot brick water tunnel (abandoned), as shown on the survey No. N-117574, dated March 5, 1993, made by National Survey Service, Inc.

(Crosses below South part of Parcel C at Ohio Street then crosses South part of parcel B ending at the

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Chicago Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.



SCHEDULE B, PART II
EXCEPTIONS
(continued)

boundary of Parcel B with the bridge counter weight structure)

This note will not appear on policy.

T 27. Easement for Chicago Freight Tunnel as shown on Survey No. N-117574, dated March 5, 1993, made by National Survey Service, Inc.

(Affects South part of Parcel B in a line Northeasterly of line B extended Southeasterly, from Ohio Street to Grand Avenue)

U 28. West dock line of the Chicago River, as established by an ordinance of the Common Council of the City of Chicago in the year 1854 as document disclosed by Document 1331.

(Affects Parcel A)

V 29. Rights of the United States of America, the State of Illinois, the City of Chicago and the public in and to so much of the Land, formed by means other than natural accretions.

(Affects Parcels A, B and M)

W 30. Reservations as contained in the deed from the Chicago and Northwestern Railway Company, a corporation of Wisconsin, to Charles S. Handelman dated June 29, 1948 and recorded October 19, 1948 as Document 14424762, reserving unto the first party and to its successors and assigns the telltale with its pole support, guy wires and anchors as now located upon said Land together with the full right to repair, renew and maintain the same until such time as said telltale and its appurtenant facilities are permanently abandoned and removed from said Land and reserving unto the first party, its successors and assigns, the existing 6 inch tile sewer located over and across said Land, together with the right to maintain, repair and permanently abandon or remove from said Land, also reserving unto said first party, its successors and assigns the existing spur track located upon the Land herein conveyed with the right to remove said spur track.

(Affects Parcel A)

X 31. Covenants and restrictions as set forth in deed in trust from Chicago and North Western Railway Company, as grantor, to Lake Shore National Bank, Trustee, as grantee, dated March 23, 1967 and recorded December 18, 1968 as Document 20707574.

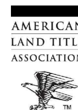
(Affects all except Parcel D)

Y 32. Easements condemned in Case 77 L 2485 by the Metropolitan Sanitary district of Greater Chicago, a municipal corporation, on a petition filed February 7, 1977 and on subsequent amended petitions on which orders were entered May 19, 1977 (Tract II) and May 31, 1978 (tract I) vesting title in condemnor to easements described as follows:

Permanent Easement Area in Tract I:

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Chicago Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright American Land Title Association. All rights reserved.



The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

SCHEDULE B, PART II
EXCEPTIONS
(continued)

That part of Lots 1, 2, 3 and 4 of Block 65 in Russell, Mather and Roberts Addition to Chicago in the West 1/2 of the Northwest 1/4 of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois, taken and described as one tract:

Beginning at a point on the East line of said Lot 1 lying 40.00 feet Southerly of the Northeast corner of the aforesaid Lot 1; thence South 01 degrees, 57 minutes, 44 seconds East along the Easterly property line of said Lots 1, 2, 3 and 4, 102.00 feet; thence South 88 degrees, 18 minutes, 39 seconds West, 20.00 feet; thence North 01 degrees, 57 minutes, 44 seconds West, 102.00 feet to the South Line of the North 40.00 feet of said Lot 1; thence North 88 degrees, 18 minutes, 39 seconds East, 20.00 feet to the point of beginning, containing an area of 2,040 square feet. All as shown on the plat marked second revised Exhibit A attached thereto .

(Affects Northeast Corner of Parcel A)

Permanent Easement Area in Tract II:

That part of Lot 1 in Block 69, vacated North Des Plaines Street (as per Document 9426724) and vacated West Erie Street (as per document 18526682), of Russell Mather and Roberts Addition to Chicago in the West 1/2 of the Northwest 1/4 of Section 9,Township 39 North, Range 14, East of the Third Principal Meridian in Cook County, Illinois, taken and described as one tract:

Commencing at the intersection of the Westerly Dock Line of the North Branch of the Chicago River and the Southerly right of way line of vacated West Erie Street; thence South 80 degrees 07 minutes 28 seconds West along said right of way line a distance of 160.79 feet to the point of beginning; thence South 34 degrees 14 minutes 06 seconds East, a distance of 96.60 feet; thence North 72 degrees 14 minutes 06 seconds West a distance of 48.68 feet to a point on the Easterly lot line of said Lot 1 (said Lot line also being the Westerly right of way line of vacated North des Plaines Street),said point also being 20.64 feet Southerly of the Northeast corner of the Aforesaid Lot 1 as measured along the aforesaid Easterly Lot line; thence continuing North 72 degrees 14 minutes 06 seconds West, a distance of 28.90 feet; thence North 02 degrees 07 minutes 16 seconds East, a distance of 11.95 feet to a point on the Northerly Lot line of the aforesaid Lot 1, said point being 26.54 feet Westerly of said Northeast Corner, as measured along said Northerly line; thence continuing North 02 degrees 07 minutes 16 seconds East, a distance of 41.22 feet to a point on said Southerly right of way line of vacated West Erie Street, said point being 178.62 feet Westerly of the point of commencement as measured along the aforesaid Southerly right of way line of vacated East Erie Street; thence continuing North 02 degrees 07 minutes 16 seconds East, a distance of 4.83 feet; thence South 87 degrees 52 minutes 44 seconds East, a distance of 16.61 feet; thence South 34 degrees 14 minutes 06 seconds East a distance of 1.40 feet to the point of beginning.

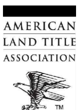
(Affects Parcels B, E, M and P)

Z 33. Grant of permanent easement made by Chicago and North Western Railway Company, a corporation of Wisconsin, and the City of Chicago, a municipal corporation, recorded February 20, 1968 as Document 20408926 an easement for halsted street viaduct purposes.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Chicago Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.



SCHEDULE B, PART II
EXCEPTIONS
(continued)

(Affects Parcels I, J and K)

AA 34. Easement in favor of Chicago and Northwestern Railway Company, its licensee lessees, successors and assigns, of the right to protect, maintain, operate and use any and all existing conduits, sewers, water mains, gas lines eletric power lines, communication lines, wires and other utilities and easements of any kind whatsoever on said premises, including the repair, reconstruction and replacement thereof, as reserved in deed dated November 29, 1972 and recorded December 8, 1972 as Document 22151487.

(Affects East part of Parcel D and Southwest part of Parcel B)

AB 35. Restrictive Covenant recorded July 25, 1996 as Document 96568953 providing that the part of the Land falling in West Erie Street, vacated by ordinance recorded as Document 96568952, shall not be used for any use or purpose other than those set forth and those which are accessory to such activities, including, but not limited to, the location of necessary and appropriate offices and facilities, storage, employee and customer parking and other similar uses and facilities.

(Affects Parcel M)

AC 36. Reservation of easement contained in instrument recorded July 25, 1996 as Document 96568952 in favor of the Metropolitan Water Reclamation District of Greater Chicago, to construct, reconstruct, repair, maintain and oeprate existing west side intercepting sewer and appurtenances thereto above, upon, across, under and through a segment of West Erie Street described as follows:

Commencing at the Southwest Corner of Lot 8 in Block 68 in Russell, Mather and Robert's Addition; thence North 81 degrees, 45 minutes, 28 seconds East along the Northwesterly line of West Erie Street, 250 feet to the point of beginning; thence continuing North 81 degrees 45 minutes 28 seconds East along the Northwesterly line, 25.17 feet; thence South 37 degrees, 17 minutes, 54 seconds East, 91.52 feet to the Southeasterly line of West Erie Street; thence South 81 degrees, 45 minutes, 28 seconds West along said Southeasterly line 25.17 feet; thence North 37 degrees, 17 minutes, 64 seconds West 91.25 feet to the point of beginning.

It is further provided that no buildings or other structures shall be erected on said area therein reserved or other use made of said area, which in the judgment of the officials having control of aforesaid sewer facilities, would interfere with the construction, reconstruction, repair, maintenance and operation of said sewer facilities.

(Affects Parcel M)

AD 37. Note: The following items, while appearing on this commitment/policy, are provided solely for your information.

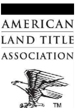
The following environmental disclosure document(s) for transfer of real property appear of record which include a description of the Land insured or a part thereof:

1. Recorded November 7, 1997 as Document 97836814.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Chicago Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.



SCHEDULE B, PART II
EXCEPTIONS
(continued)

(Affects Parcel F) no Land use limitation.

2. Recorded March 4, 2009 as Document 0906356045
(Affects parcel F) no Land use limitation.

AG 38. This commitment should not be construed as insuring the following described Lands which appear to be occupied and used by the owner shown on Schedule A but not included herein:

1. That part of Chicago River acquired as Parcel 2 in Deed recorded July 25, 1996 as Document 96568954 (which said deed also included parcel M on Schedule A), currently occupied by what appears to be an concrete walled in area off the East end of Parcel M; and

2. Twenty-eight parking spaces located North of the North Boundary of parcel I, and within the Chicago Avenue Right of way (albeit below the street which is elevated as currently used and occupied). There are a total of 31 spaces but three are within Parcel I; and

3. A paved access road located North of the North Boundary of parcel I and within the Chicago Avenue Right of way (albeit below the street which is elevated as currently used and occupied) which provides access between the Land described on Schedule A and the Land described in commitment 8894578;

All shown on preliminary unsigned ALTA survey made by Gremley & Biedermann, Order No. 2016-22355-002 dated May 12, 2016.

AH 39. Rights of the public, the State of Illinois and the municipality in and to that part of the Land, if any, taken or used for road purposes.

(Affects Parcel O) (only because no recorded vacation ordinance has been recorded, and is not open and used as a street)

and

Affects a part of the Land below air rights Parcel C which is occupied by the truncated Ohio Street and desplaines avenue ground level intersection as shown on preliminary unsigned ALTA survey made by Gremley & Biedermann, Order No. 2016-22355-002 dated May 12, 2016 Page 7.

AI 40. Our title finding as to Parcel O of the Land is based on the assumption that a proper vacation ordinance will be passed by the City of Chicago, vacating this additional portion of Erie Street and said oridinance will be placed of record.

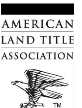
(Affects Parcel O)

AJ 41. Rights of the public and quasi-public utilities, if any, in said Erie Street for maintenance therein of poles, conduits, sewers and other facilities.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Chicago Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.



SCHEDULE B, PART II
EXCEPTIONS
(continued)

(Affects Parcel O)

AM 42. Easement of Ingress and egress to the bridge counter weight structure located East of the South part of Parcel B, as disclosed by gate shown at the north end of the area encompassing said structure, at a boundary line of Parcel B, shown on preliminary unsigned ALTA survey made by Gremley & Biedermann, Order No. 2016-22355-001 dated May 12, 2016.

Affects South Part of Parcel B.

AN 43. Encroachment of part of one of the railroad tracks, located mainly on the Land below air rights parcel G, onto Parcel F of the property by undisclosed footage, as shown on preliminary unsigned ALTA survey made by Gremley & Biedermann, Order No. 2016-22355-002 dated May 12, 2016.

Affects Northeasterly line of Parcel F along curve with an arc length of 502.99. (Page 3 and 5 of Survey)

AO 44. Encroachment of the following improvements, located mainly on the property over and onto the Land shown below. Preliminary Unsigned ALTA Survey made by Gremley & Biedermann, Order No. 2016-22355-002 dated May 12, 2016:

1. Fence located mainly on parcel F, onto the Land Northeasterly and adjoining, below Air Rights Parcel G, by 0.48 of a Foot. (Page 5) Affects Parcel F.

2. Fence located mainly on Parcel D, onto the Land Northeasterly and adjoining, below Air Rights Parcel C, by Undisclosed Footage. (Page 7) Affects Parcel D.

3. Sign located mainly on parcel B, onto the Land Southwesterly and adjoining, below Air Rights Parcel C, by Undisclosed Footage. (Page 7) Affects Parcel B.

AP 45. Adverse encroachment of the USGS Test Station, located mainly on the property Northeast and adjoining Parcel B (in the river actually), onto Parcel B of the Land by undisclosed footage, as shown on the preliminary unsigned ALTA survey made by Gremley & Biedermann, Order No. 2016-22355-002 dated May 12, 2016.

Affects Parcel B. (page 8 of survey)

AE 46. Note for information (Endorsement Requests):

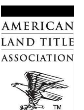
All endorsement requests should be made prior to closing to allow ample time for the company to examine required Documentation.

Note: before any endorsements can be approved, we should be informed as to the land use and as to what type of structure is on the land.

(This note will be waived for the policy,)

Copyright American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.



SCHEDULE B, PART II
EXCEPTIONS
(continued)

AF 47. Informational Note:

To schedule any closings in the Chicago Commercial Center, please call (312)223-2707.

END OF SCHEDULE B, PART II

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Chicago Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

EXHIBIT N

FORM OF CASINO MANAGER SUBORDINATION AGREEMENT

This Subordination Agreement ("**Subordination Agreement**") is made as of this ___ day of __________, 20__, by ______________________ limited liability company ("**Casino Manager**"), having its office at ___________________________________ to and for the benefit of the City of Chicago, Illinois, a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois (the "**City**"). The Casino Manager, the City and, by its execution of the "Acknowledgment" included herein, the Developer (defined below) shall be referred to herein individually as a "**Party**" and collectively as the "**Parties**".

R E C I T A L S

A. ________________________, a Delaware limited liability company (the "**Developer**"), and the City have executed that certain Host Community Agreement dated __________, 20__, as the same may from time to time be amended ("**Agreement**," with capitalized terms herein having the same meaning as therein defined, unless expressly otherwise defined herein), which Agreement sets forth the terms and conditions upon which Developer has agreed to develop, construct, operate and maintain the Project.

B. Casino Manager has been [will be] engaged by Developer to provide casino resort development and management services to Developer pursuant to the Management Agreement.

C. Casino Manager, by virtue of entering into the Management Agreement with Developer, will receive payments from the Developer and, therefore, will benefit from the financial success of Developer.

D. The execution and delivery of this Subordination Agreement is required under the terms of the Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and in order to induce the City to execute and deliver the Agreement, Casino Manager, acknowledging that, but for the execution and delivery of this Subordination Agreement, the City would not have entered into the Agreement with Developer, hereby covenants and agrees as follows:

1. Casino Manager agrees that any present and future right that it has to receive payments under the Management Agreement (the "**Management Payments**") shall be and remain junior and subordinate to the Developer's payment to the City of the following, whether due and payable or that become due and payable, and however arising: (i) the Developer Payments; (ii) real estate taxes on the Project Site; (iii) personal property taxes on all Project personal property; and (iv) any other amounts payable by Developer to the City under and pursuant to the Agreement (collectively, the "**Developer Payment Obligations**").

2. Except as provided below, Developer may make, and Casino Manager may accept, the Management Payments in accordance with the terms of the Management Agreement, so long as at the time of, and after giving effect to, the making of such payments, no Casino Manager Default has

occurred or would occur. If at any time a Casino Manager Default has occurred and is continuing, then Developer shall not make, and the Casino Manager shall not accept, any Management Payments and shall not take any steps, whether by suit or otherwise, to compel or force the payment of the Management Payments nor use the Management Payments by way of counterclaim, set-off, recoupment or otherwise so as to diminish, discharge or otherwise satisfy in whole or in part any liability of the Casino Manager to the City, whether now existing or hereafter arising, until such time as the City has advised Casino Manager in writing that such Casino Manager Default has been cured or is no longer continuing. "**Casino Manager Default**" shall mean a "Default" as defined in the Agreement or "Event of Default" as defined in this Subordination Agreement.

3. In the event of any distribution, dividend, or application, partial or complete, voluntary or involuntary, by operation of law or otherwise, of all or any part of the assets of the Developer or of the proceeds thereof to the creditors of the Developer or upon any indebtedness of the Developer, occurring by reason of the liquidation, dissolution, or other winding up of the Developer, or by reason of any execution sale, or bankruptcy, receivership, reorganization, arrangement, insolvency, liquidation or foreclosure proceeding of or for the Developer or involving its property, no dividend, distribution or application shall be made, and the Casino Manager shall not be entitled to receive or retain any dividend, distribution, or application on or in respect of any Management Payments, unless and until all Developer Payment Obligations then outstanding (including, without limitation, all principal, interest, fees, and expenses, including post-petition interest in a bankruptcy or similar proceeding whether or not allowed) shall have been paid and satisfied in full in cash (or cash equivalents acceptable as such to the holder thereof), and in any such event any dividend, distribution or application otherwise payable in respect of Management Payments shall be paid and applied to the Developer Payment Obligations until such Developer Payment Obligations have been fully paid and satisfied.

4. If notwithstanding the provisions of this Subordination Agreement, Casino Manager shall receive payment of any Management Payments which the Developer is not entitled to make pursuant to the terms hereof, whether or not the Casino Manager has knowledge that the Developer is not entitled to make such payment, the Casino Manager shall properly account for such payment and agrees to turn over to the City such payments within fifteen (15) days after the City has given Casino Manager written demand.

5. The City may, at any time and from time to time, without the consent of or notice to Casino Manager, all such notice being hereby waived, and without incurring responsibility to the Casino Manager or impairing, releasing or otherwise affecting this Subordination Agreement:

(a) amend, restate or otherwise modify the terms of the Agreement, including, without limitation, any amendment or modification which increases or decreases the amount of any Developer Payment Obligation or otherwise modifies the terms of any Developer Payment Obligation or creates any new Developer Payment Obligation;

(b) grant an extension of the Term;

(c) defer Developer Payment Obligations or enter into a workout agreement on the Developer Payment Obligations;

(d) declare a Casino Manager Default and notify Casino Manager to stop accepting Management Payments; or

(e) agree to release, compromise or settlement of Developer Payment Obligations.

6. Casino Manager will not sell, assign or otherwise transfer the Management Agreement or its right to receive any Management Payments thereunder, or any part thereof, except upon written agreement of the transferee or assignee to abide by and be bound by the terms hereof.

7. Casino Manager hereby represents and warrants that:

(a) it is duly organized, validly existing and in good standing under the applicable laws of the jurisdiction of its formation, with full power and authority to execute and deliver and become bound by this Subordination Agreement and to consummate the transactions contemplated hereby; and

(b) the execution and delivery of this Subordination Agreement and the consummation and performance by it of the transactions contemplated hereby: (1) have been duly authorized by all actions required under the terms and provisions of the instruments governing its existence ("**Governing Instruments**") and the laws of the jurisdiction of its formation; (2) create legal, valid and binding obligations of it enforceable in accordance with the terms hereof, subject to the effect of any applicable bankruptcy, moratorium, insolvency, reorganization or other similar law affecting the enforceability of creditors' rights generally and to the effect of general principles of equity which may limit the availability of equitable remedies (whether in a proceeding at law or in equity); (3) does not require the approval or consent of any Governmental Authority having jurisdiction over it, except those already obtained; and (4) do not and will not constitute a violation of, or default under, its Governing Instruments, any Government Requirements, agreement, commitment or instrument to which it is a party or by which any of its assets are bound, except for such violations or defaults under any Government Requirements, agreements, commitments or instruments that would not result in a material adverse change in the condition, financial or otherwise, or in the results of operations or business affairs of the Casino Manager and its subsidiaries, considered as one enterprise.

8. Casino Manager covenants with the City as follows:

(a) Casino Manager shall give notice to the City promptly upon the occurrence of any Event of Default. Each notice pursuant to this subparagraph shall be accompanied by a statement setting forth details of the Event of Default referred to therein and stating what action Casino Manager proposes to take with respect thereto.

(b) Casino Manager agrees, upon the reasonable request of the City, to do any act or execute any additional documents as may be reasonably required by the City to accomplish or further confirm the provisions of this Subordination Agreement.

9. The City may declare Casino Manager to be in default under this Subordination Agreement upon the occurrence of any of the following events (each an "**Event of Default**").

(a) If Casino Manager fails to comply with any covenant or agreement made by it in this Subordination Agreement (other than those specifically described in any other subparagraph of this paragraph 9) and such noncompliance continues for thirty (30) days after written notice from the City;

(b) If any representation or warranty made by Casino Manager hereunder was false or misleading in any material respect as of the time made;

(c) If any of the following events occur with respect to Casino Manager: (i) by order of a court of competent jurisdiction, a receiver, liquidator or trustee of Casino Manager or of any of the property of Casino Manager (other than non-material property and with respect to which the appointment hereinafter referred to would not materially adversely affect the financial condition of Casino Manager) shall be appointed and shall not have been discharged within ninety (90) days; (ii) a petition in bankruptcy, insolvency proceeding or petition for reorganization shall have been filed against Casino Manager and same is not withdrawn, dismissed, canceled or terminated within ninety (90) days; (iii) Casino Manager is adjudicated bankrupt or insolvent or a petition for reorganization is granted (without regard for any grace period provided for herein); (iv) if there is an attachment or sequestration of any of the property of Casino Manager and same is not discharged or bonded over within ninety (90) days; (v) if Casino Manager files or consents to the filing of any petition in bankruptcy or commences or consents to the commencement of any proceeding under the Federal Bankruptcy Code or any other law, now or hereafter in effect, relating to the reorganization of Casino Manager or the arrangement or readjustment of the debts of Casino Manager; or (vi) if Casino Manager shall make an assignment for the benefit of its creditors or shall admit in writing its inability to pay its debts generally as they become due or shall consent to the appointment of a receiver, trustee or liquidator of Casino Manager or of all or any material part of its property;

(d) If Casino Manager ceases to do business or terminates its business for any reason whatsoever or shall cause or institute any proceeding for the dissolution of Casino Manager; or

(e) If Casino Manager takes any action for the purpose of terminating, repudiating or rescinding this Subordination Agreement.

10. Remedies:

(a) Upon an Event of Default, the City shall have the right if it so elects to: (i) any and all remedies available at law or in equity; or (ii) institute and prosecute proceedings to enforce in whole or in part the specific performance of this Subordination Agreement by Casino Manager, or to enjoin or restrain Casino Manager from commencing or continuing said breach, or to cause by injunction Casino Manager to correct and cure said breach or threatened breach without the need to post any bond therefor. None of the remedies enumerated herein is exclusive and nothing herein shall be construed as prohibiting the City from pursuing any other remedies at law, in equity or otherwise available to it under this Subordination Agreement, including seeking damages for breach of this Agreement.

(b) The rights and remedies of the City whether provided by law or by this Subordination Agreement, shall be cumulative, and the exercise by the City of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach, to the extent permitted by law. No waiver made by the City shall apply to obligations beyond those expressly waived in writing.

11. If any of the provisions of this Subordination Agreement, or the application thereof to any Person or circumstances, shall, to any extent, be invalid or unenforceable, the remainder of this Subordination Agreement, or the application of such provision or provisions to Persons or

circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and every provision of this Subordination Agreement shall be valid and enforceable to the fullest extent permitted by law.

12. This writing is intended by the Parties as a final expression of this Subordination Agreement, and is intended to constitute a complete and exclusive statement of the terms of the agreement among the Parties. There are no promises or conditions, expressed or implied, unless contained in this writing. No course of dealing, course of performance or trade usage, and no parol evidence of any nature, shall be used to supplement or modify the terms of this Subordination Agreement. No amendment, modification, termination or waiver of any provision of this Subordination Agreement, shall in any event be effective unless the same shall be in writing and signed by the City, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

13. Notices shall be given as follows:

(a) Any notice, demand or other communication which any Party may desire or may be required to give to any other Party hereto shall be in writing delivered by (i) hand-delivery, (ii) a nationally recognized overnight courier, or (iii) mail (but excluding electronic mail, i.e., "**e-mail**") addressed to a Party at its address set forth below, or to such other address as the Party to receive such notice may have designated to all other Parties by notice in accordance herewith:

If to City:
Mayor
City of Chicago
121 N. LaSalle Street 5th Floor,
Chicago, Illinois 60602

with copies to:
Corporation Counsel
City of Chicago
121 N. LaSalle State Street, Room 600
Chicago, Illinois 60602

If to Casino Manager: ____________________
____
____

with copies to: ____________________
____
____

(b) Any such notice, demand or communication shall be deemed delivered and effective upon the actual delivery.

14. Time is of the essence in performance of this Subordination Agreement by Casino Manager.

15. The terms of this Subordination Agreement shall bind and benefit the legal representatives, successors and assigns of the City and Casino Manager; provided, however, that Casino Manager may not assign this Subordination Agreement, or assign or delegate any of its rights

or obligations under this Subordination Agreement, without the prior written consent of the City in each instance.

16. This Subordination Agreement shall be governed by, and construed in accordance with, the local laws of the State without application of its law of conflicts principles.

17. Submission to Jurisdiction

(a) The Parties expressly agree that the sole and exclusive place, status and forum of this Subordination Agreement shall be the City. All actions and legal proceedings which in any way relate to this Subordination Agreement shall be solely and exclusively brought, heard, conducted, prosecuted, tried and determined within the City. It is the express intention of the Parties that the exclusive venue of all legal actions and procedures of any nature whatsoever which related in any way to this Subordination Agreement shall be the Circuit Court of Cook County, Illinois, or the United States District Court for the Northern District of Illinois (the "**Court**").

(b) If at any time during the Term, the Casino Manager is not a resident of the State or has no officer, director, employee, or agent thereof available for service of process as a resident of the State, or if any permitted assignee thereof shall be a foreign corporation, partnership or other entity or shall have no officer, director, employee, or agent available for service of process in the State, the Casino Manager or its assignee hereby designates the Secretary of State of the State of Illinois, as its agent for the service of process in any court action between it and the City or arising out of or relating to this Subordination Agreement and such service shall be made as provided by the laws of the State for service upon a non-resident.

18. Casino Manager acknowledges that it expects to derive a benefit as a result of the Agreement because of its relationship to Developer, and that it is executing this Subordination Agreement in consideration of that anticipated benefit.

CITY OF CHICAGO, ILLINOIS, a municipal corporation

By:________________________________

Its:_________________________

____________________________________limited liability company

By:_______________________________

Its:_________________________

[Signature Page – Casino Manager Subordination Agreement]

EXHIBIT O

OWNERSHIP OF DEVELOPER AND CASINO MANAGER

Indicative ownership chart is below (pending finalization), dollar amount of non-recourse debt and common equity invested by the Community Investment Program ("**CIP**") participants are illustrative.

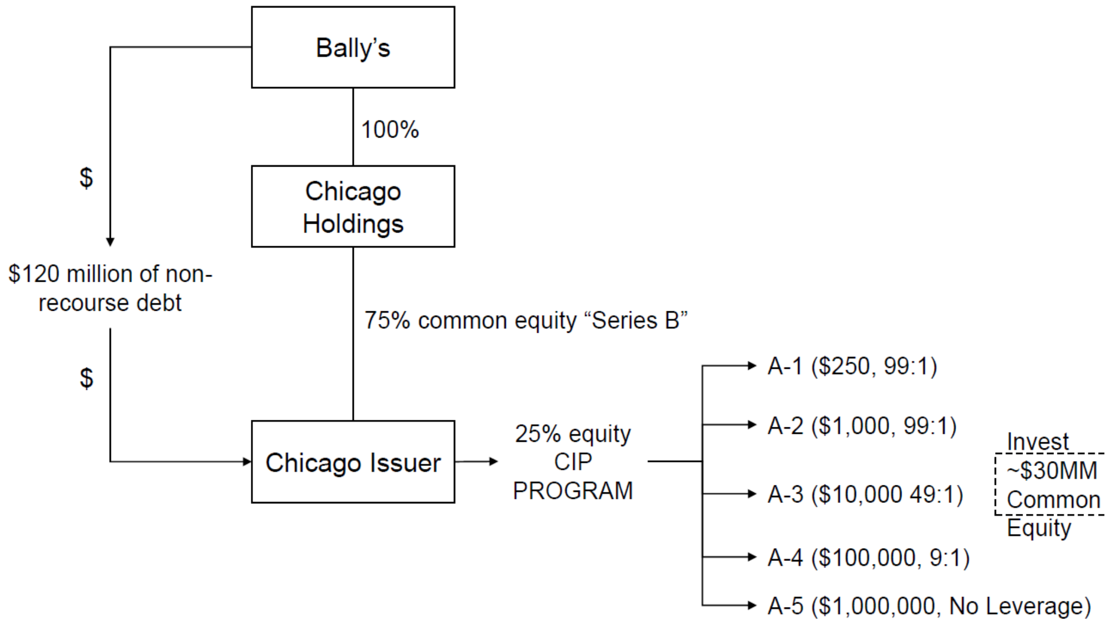


EXHIBIT P

FORM OF GUARANTY AGREEMENT

This Guaranty Agreement ("**Guaranty**") is made as of this ___ day of __________, 2022, by Bally's Corporation, a Delaware corporation ("**Guarantor**"), having its office at 100 Westminster Street, Providence, RI 02903, to and for the benefit of the City of Chicago, Illinois, a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois (the "**City**"). The Guarantor and the City shall be referred to herein individually as a "Party" and collectively as the "Parties".

RECITALS

A. Bally's Chicago Operating Company, LLC, a Delaware limited liability company ("**Developer**") and the City have executed that certain Host Community Agreement dated of even date herewith ("**Agreement**," with capitalized terms herein having the same meaning as therein defined, unless expressly otherwise defined herein), which Agreement sets forth the terms and conditions upon which Developer has agreed to develop, construct, operate and maintain the Project.

B. Guarantor, as the ultimate parent company of Developer, will benefit from the financial success of Developer.

C. The execution and delivery of this Guaranty is required under the terms of the Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and in order to induce the City to execute and deliver the Agreement, Guarantor, acknowledging that, but for the execution and delivery of this Guaranty, the City would not have entered into the Agreement with Developer, hereby covenants and agrees as follows:

1. Guarantor hereby absolutely, unconditionally and irrevocably guarantees to the City the following obligations of Developer under, in accordance with, and subject to the terms and conditions of this Guaranty (collectively, the "**Developer's Obligations**"): the full and faithful performance by Developer of its obligations under the Agreement.

2. Guarantor will have and maintain available financial resources in an amount reasonably sufficient to fund all amounts necessary to allow Guarantor to perform all of the Developer's Obligations.

3. Upon notice to Guarantor from the City that Developer has failed to perform any of the Developer's Obligations, Guarantor agrees to:

(a) assume full responsibility for and perform the Developer's Obligations in accordance with the terms, covenants and conditions of the Agreement;

(b) indemnify and hold the City harmless from and against any and all loss, cost, damage, injury, liability, claim or reasonable and documented expense the City may

suffer or incur by reason of any nonpayment or nonperformance of any of the Developer's Obligations; and

(c) fully reimburse and repay the City promptly on demand for all reasonable, and documented outlays and expenses, including interest thereon at the Default Rate, that the City may make or incur by reason of any nonpayment or nonperformance of any of the Developer's Obligations.

4. Upon any Event of Default hereunder, the City shall have the following rights and remedies:

(a) if the City, in its sole discretion, chooses to do so, it may perform any or all of the Developer's Obligations to be performed hereunder on Guarantor's behalf. In such event, Guarantor shall reimburse the City within twenty (20) days of demand for all reasonable and documented costs and expenses, including reasonable attorneys' fees that the City may incur in performing those Developer's Obligations, together with interest thereon at the Default Rate from the dates they are incurred until paid; and

(b) in addition, the City may bring any action at law or in equity or both, to compel Guarantor to perform the Developer's Obligations hereunder and to collect compensation for all loss, cost, damage, injury and reasonable and documented expense which may be sustained or incurred by the City as a direct or indirect consequence of Guarantor's failure to perform those Developer's Obligations, including interest thereon at the Default Rate.

5. Guarantor authorizes the City to perform any and all of the following acts at any time in its sole discretion, upon written notice to Guarantor and without affecting the Developer's Obligations:

(a) with the consent of Developer, alter, amend or modify any terms of the Agreement, including renewing, compromising, extending or accelerating, or otherwise changing the time for performance thereunder;

(b) take and hold security for the Developer's Obligations, accept additional or substituted security therefor, and subordinate, exchange, enforce, waive, release, compromise, fail to perfect and sell or otherwise dispose of any such security;

(c) apply any payments or recoveries from Developer, Guarantor or any other source, and any proceeds of any security, to the Developer's Obligations in such manner, order and priority as it may elect, whether or not those obligations are guaranteed by this Guaranty or secured at the time of the application;

(d) release Developer of all or any portion of its liability under the Developer's Obligations and the Agreement; or

(e) consent to any assignment or successive assignments of the Agreement by Developer.

6. Guarantor expressly agrees that until the Developer's Obligations are fully satisfied and each and every term, covenant and condition of this Guaranty is fully performed, Guarantor shall not be released by or because of:

(a) any act or event which might otherwise discharge, reduce, limit or modify the Developer's Obligations (other than the performance of the Developer's Obligations by Developer);

(b) any waiver, extension, modification, forbearance, delay or other act or omission of the City, or any failure to proceed promptly or otherwise as against Guarantor or any collateral, if any;

(c) any action, omission or circumstance which might increase the likelihood that Guarantor may be called upon to perform under this Guaranty or which might affect the rights or remedies of Guarantor as against Developer; or

(d) any dealings occurring at any time between Developer and the City, whether relating to the Agreement or otherwise.

Guarantor hereby expressly waives and surrenders any defense to its liability under this Guaranty based upon any of the foregoing acts, omissions, agreements, waivers or matters. It is the purpose and intent of this Guaranty that the obligations of Guarantor under it shall be absolute and unconditional under any and all circumstances.

7. Guarantor waives:

(a) all statutes of limitations as a defense to any action or proceeding brought against Guarantor by the City to the fullest extent permitted by law;

(b) any right it may have to require the City to proceed against Developer, proceed against or exhaust any security held from Developer, or pursue any other remedy in its power to pursue;

(c) any defense based on any claim that Guarantor's obligations exceed or are more burdensome than those of Developer;

(d) any defense based on: (i) any legal disability of Developer, (ii) any release, discharge, modification, impairment or limitation of the liability of Developer under the Agreement from any cause (other than the performance of the Developer's Obligations by Developer), whether consented to by the City or arising by operation of law or from any bankruptcy or other voluntary or involuntary proceeding, in or out of court, for the adjustment of debtor-creditor relationships ("**Insolvency Proceeding**"), or (iii) any rejection or disaffirmance of the Agreement in any such Insolvency Proceeding;

(e) any defense based on any action taken or omitted by the City in any Insolvency Proceeding involving Developer, including any election to have a claim allowed as being secured, partially secured or unsecured, any extension of credit by the

City to Developer in any Insolvency Proceeding, and the taking and holding by the City of any security for any such extension of credit; and

(f) all presentations, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, notices of acceptance of this Guaranty and of the existence, creation, payment or nonpayment of the Developer's Obligations and demands and notices of every kind and nature.

8. The City shall not be required, as a condition precedent to making a demand upon Guarantor or to bringing an action against Guarantor upon this Guaranty, to make demand upon, or to institute any action or proceeding at law or in equity against, Developer, any other guarantor or anyone else, or exhaust its remedies against Developer, any other guarantor or anyone else, or against any collateral, if any, given to secure the Developer's Obligations. All remedies afforded to the City by reason of this Guaranty are separate and cumulative remedies and it is agreed that no one of such remedies, whether exercised by the City or not, shall be deemed to be exclusive of any of the other remedies available to the City and shall not limit or prejudice any other legal or equitable remedy which the City may have.

9. Until the termination of this Guaranty in accordance with its terms, Guarantor hereby waives all rights of subrogation, contribution and indemnity against Developer, now or hereafter arising, whether arising hereunder, by operation of law or contract or otherwise, as well as the benefit of any collateral which may from time to time secure the Developer's Obligations, and to that end, Guarantor further agrees not to seek any reimbursement, restitution, or collection from, or enforce any right or remedy of whatsoever kind or nature in favor of Guarantor against, Developer or any other person or any of their respective assets or properties for or with respect to any payments made by Guarantor to the City hereunder or in respect of the Developer's Obligations. The City, in the course of exercising any remedies available to it under the Agreement, at its sole option may elect which remedies it may wish to pursue without affecting any of its rights hereunder. The City may elect to forfeit any of its rights, unless such actions shall result in a full or partial loss of rights of subrogation which Guarantor, but for the City's actions, might have had.

10. If, at any time, all or any part of any payment previously applied by the City to any of the Developer's Obligations is rescinded or must otherwise be restored or returned by the City for any reason, including, without limitation, the insolvency, bankruptcy, dissolution, liquidation or reorganization of Developer, or upon or as a result of the appointment of a receiver, intervenor, custodian or conservator of, or trustee or similar officer for, Developer or any substantial part of its property, Guarantor shall remain liable for the full amount so rescinded or returned as though such payments had never been received by the City, notwithstanding any termination of this Guaranty or the cancellation of the Agreement evidencing the obligations of Developer.

11. Before signing this Guaranty, Guarantor investigated the financial condition and business operations of Developer, the present and former condition, uses and ownership of the Project, and such other matters as Guarantor deemed appropriate to assure itself of Developer's ability to discharge its obligations under the Agreement. Guarantor assumes full responsibility for that due diligence, as well as for keeping informed of all matters which may affect Developer's ability to pay and perform the Developer's Obligations. The City has no duty to disclose to

Guarantor any information which it may have or receive about Developer's financial condition or business operations, the condition or uses of the Project, or any other circumstances bearing on Developer's ability to perform under the Agreement.

12. Any rights of Guarantor, whether now existing or hereafter arising, to receive payment on account of any indebtedness (including interest) owed to it by Developer, or to withdraw capital invested by it in Developer, or to receive distributions from Developer, shall, to the extent and in the manner provided herein, be subordinate as to time of payment and in all other respects to the full and prior payment and performance of Developer's Obligations (to the extent then due). Following and during the continuance of an Event of Default, Guarantor shall not be entitled to enforce or receive payment of any sums or distributions from Developer until the Developer's Obligations have been paid and performed in full (to the extent then due) and any such sums received in violation of this Guaranty shall be received by Guarantor in trust for the City.

13. Guarantor hereby represents and warrants that:

(a) it is duly organized, validly existing and in good standing under the applicable laws of the jurisdiction of its formation, with full power and authority to execute and deliver this Guaranty and consummate the transactions contemplated hereby;

(b) the execution and delivery of this Guaranty and the consummation and performance by it of the transactions contemplated hereby: (1) have been duly authorized by all actions required under the terms and provisions of the instruments governing its existence ("**Governing Instruments**"), the laws of the jurisdiction of its formation and the laws of the State; (2) create legal, valid and binding obligations of it enforceable in accordance with the terms hereof; (3) subject to applicable law do not require the approval or consent of any Governmental Authority having jurisdiction over it, except those already obtained; and (4) do not and will not constitute a violation of, or default under, its Governing Instruments, any Government Requirements, agreement, commitment or instrument to which it is a party or by which any of its assets are bound;

(c) subject to applicable gaming laws, neither it nor any of its property has any immunity from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) or the jurisdiction of any court of the United States sitting in the State or any court of the State;

(d) the condensed and consolidated financial statements of Guarantor included in Guarantor's Form 10-Q for the quarterly period ended March 31, 2022 filed with the Securities and Exchange Commission on May 5, 2022 (the "**Financial Statements**") heretofore delivered to the City by Guarantor, are true and correct in all material respects as of the date thereof, have been prepared in accordance with GAAP, consistently applied (except insofar as any change in the application thereof is disclosed in such Financial Statements), and fairly present the consolidated financial condition of Guarantor and its subsidiaries as of March 31, 2022, and no materially adverse change has occurred in the financial condition reflected in such Financial Statements since March 31, 2022 and no material additional borrowings have been made or guaranteed by Guarantor since March

31, 2022, in either case, which individually or in the aggregate materially adversely affects the ability of Guarantor to pay and perform its obligations hereunder;

(e) none of the Financial Statements or any certificate or statement furnished to the City by or on behalf of Guarantor in connection herewith, and none of the representations and warranties in this Guaranty, contains any untrue statement as of its date of a material fact or omits to state a material fact necessary in order to make the statements contained therein or herein not misleading;

(f) Other than as disclosed in Guarantor's Form 10Ks and 10Qs filed pursuant to the Securities and Exchange Act of 1934, there are no actions, suits or proceedings pending, or, to the knowledge of Guarantor, threatened against or affecting Guarantor, or to Guarantor's knowledge which involve or to Guarantor's knowledge may individually or in the aggregate materially adversely affect the ability of Guarantor to perform any of its obligations under this Guaranty, and Guarantor is not in default with respect to any order, writ, injunction, decree or demand of any court, arbitration body or Governmental Authority, which default materially adversely affects the ability of Guarantor to pay and perform its obligations hereunder; and

(g) all permits, consents, approvals, orders and authorizations of, and all registrations, declarations and filings with, all Governmental Authorities (collectively, the "**Consents**"), if any, that are required in connection with the valid execution and delivery by Guarantor of this Guaranty have been obtained and Guarantor agrees that all Consents, if any, required in connection with the carrying out or performance of any of the transactions required or contemplated thereby (including, but not limited to, all authorizations, approvals, permits and consents) will be obtained when required in order to satisfy the obligations hereunder in accordance with the terms of this Guaranty.

14. Guarantor covenants with the City as follows:

(a) Guarantor will furnish to the City the following (it being understood that the filing publicly by Guarantor of such Financial Statements with the Securities and Exchange Commission shall satisfy this obligation):

(i) No later than sixty (60) days after the end of each fiscal quarter of Guarantor an unaudited consolidated balance sheet and consolidated statement of operations, certified as true and correct by the chief financial officer of Guarantor or by any other duly authorized representative of Guarantor reasonably acceptable to the City, which shall be prepared in accordance with GAAP, as applied to interim statements, consistently applied (except insofar as any change in the application thereof is disclosed in such financial statements).

(ii) No later than one hundred twenty (120) days after the end of each fiscal year of Guarantor an audited consolidated balance

sheet and consolidated statement of operations prepared in accordance with GAAP.

None of the aforesaid financial statements or any certificate or statement furnished to the City by or on behalf of Guarantor in connection with the transactions contemplated hereby, and none of the representations and warranties in this Guaranty, shall contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein or herein not misleading.

(b) Guarantor shall give notice to the City promptly upon the occurrence of:

(i) any default or Event of Default known to Guarantor; and

(ii) any (A) material default or event of default by Guarantor under any contractual obligation of Guarantor or (B) litigation, investigation or proceeding which may exist at any time between Guarantor or any Person or Governmental Authority, in each case which would reasonably be expected to have a material adverse effect on the ability of Guarantor to pay its obligations hereunder.

Each notice pursuant to this paragraph shall be accompanied by a statement setting forth details of the occurrence referred to therein and stating what action Guarantor proposes to take with respect thereto.

15. The City may declare Guarantor to be in default under this Guaranty upon the occurrence of any of the following events ("**Events of Default**").

(a) if Guarantor fails to pay any amounts required to be paid or expended under this Guaranty and such nonpayment continues for twenty (20) Business Days after written notice from the City;

(b) if Guarantor fails to comply with any covenants and agreements made by it in this Guaranty (other than those specifically described in any other subparagraph of this paragraph 15) and such noncompliance continues for fifteen (15) days after written notice from the City, provided, however, that if any such noncompliance is reasonably susceptible of being cured within thirty (30) days, but cannot with due diligence be cured within fifteen (15) days, and if Guarantor commences to cure any noncompliance within said fifteen (15) days and diligently prosecutes the cure to completion, then Guarantor shall not during such period of diligently curing be in default hereunder as long as such default is completely cured within thirty (30) days of the first notice of such default to Guarantor;

(c) if any representation or warranty made by Guarantor hereunder was false or misleading in any material respect as of the time made;

(d) if any of the following events occur with respect to Guarantor: (i) by order of a court of competent jurisdiction, a receiver, liquidator or trustee of Guarantor or of any

of the property of Guarantor (other than non-material property and with respect to which the appointment hereinafter referred to would not materially adversely affect the financial condition of Guarantor) shall be appointed and shall not have been discharged within ninety (90) days; (ii) a petition in bankruptcy, insolvency proceeding or petition for reorganization shall have been filed against Guarantor and same is not withdrawn, dismissed, canceled or terminated within ninety (90) days; (iii) Guarantor is adjudicated bankrupt or insolvent or a petition for reorganization is granted (without regard for any grace period provided for herein); (iv) there is an attachment or sequestration of any of the property of Guarantor and same is not discharged or bonded over within ninety (90) days; (v) Guarantor files or consents to the filing of any petition in bankruptcy or commences or consents to the commencement of any proceeding under the Federal Bankruptcy Code or any other law, now or hereafter in effect, relating to the reorganization of Guarantor or the arrangement or readjustment of the debts of Guarantor; or (vi) Guarantor makes an assignment for the benefit of its creditors or admits in writing its inability to pay its debts generally as they become due or consents to the appointment of a receiver, trustee or liquidator of Guarantor or of all or any material part of its property;

(e) if Guarantor ceases to do business or terminates its business for any reason whatsoever or shall cause or institute any proceeding for the dissolution of Guarantor; or

(f) except on satisfaction of the Developer's Obligations, if Guarantor attempts to withdraw, revoke or assert that the Guaranty is of no force or effect.

16. If any of the provisions of this Guaranty, or the application thereof to any Person or circumstances, shall, to any extent, be invalid or unenforceable, the remainder of this Guaranty, or the application of such provision or provisions to Persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and every provision of this Guaranty shall be valid and enforceable to the fullest extent permitted by law.

17. This writing is intended by the Parties as a final expression of this Guaranty, and is intended to constitute a complete and exclusive statement of the term of the agreement among the Parties. There are no promises or conditions, expressed or implied, unless contained in this writing. No course of dealing, course of performance or trade usage, and no parol evidence of any nature, shall be used to supplement or modify the terms of this Guaranty. No amendment, modification, termination or waiver of any provision of this Guaranty, shall in any event be effective unless the same shall be in writing and signed by the City, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No waiver shall be implied from the City's delay in exercising or failing to exercise any right or remedy against Developer, Guarantor or any collateral given to secure the Developer's Obligations. All terms used in this Guaranty, regardless of the number or gender in which they are used, shall be deemed to include any other number and any gender as the context may require. The term "or" should be read as inclusive.

18. Notices shall be given as follows:

(a) Any notice, demand or other communication which any Party may desire or may be required to give to any other Party hereto shall be in writing delivered by (i) hand-delivery, (ii) a nationally recognized overnight courier, or (iii) mail (but excluding electronic mail, i.e., "**e-mail**") addressed to a Party at its address set forth below, or to such other address as the Party to receive such notice may have designated to all other Parties by notice in accordance herewith:

If to City:
Mayor
City of Chicago
121 N. LaSalle Street, 5th Floor
Chicago, Illinois 60602

copies to:
Corporation Counsel

City of Chicago
121 N. LaSalle Street, Room 600
Chicago, Illinois 60602

If to Guarantor:
Bally's Corporation
Attn: Craig Eaton, Executive Vice President
100 Westminster Street
Providence, RI 02903

with copies to:
Jonathan Mechanic, Esq.
Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, New York 10004

(b) Any such notice, demand or communication shall be deemed delivered and effective upon actual delivery.

19. Time is of the essence in performance of this Guaranty by Guarantor.

20. Guarantor's obligations under this Guaranty are in addition to its obligations under any other existing or future guaranties, each of which shall remain in full force and effect until it is expressly modified or released in a writing signed by the City. Guarantor's obligations under this Guaranty are independent of those of Developer under the Agreement.

21. The terms of this Guaranty shall bind and benefit the legal representatives, successors and assigns of the City and Guarantor; provided, however, that Guarantor may not assign this Guaranty, or assign or delegate any of its rights or obligations under this Guaranty, without the prior written consent of the City in each instance.

22. This Guaranty shall be governed by, and construed in accordance with, the local laws of the State without application of its law of conflicts principles.

23. Submission to Jurisdiction

(a) The Parties expressly agree that the sole and exclusive place, status and forum of this Guaranty shall be the City. All actions and legal proceedings which in any way relate to this Guaranty shall be solely and exclusively brought, heard, conducted, prosecuted, tried and determined within the City. It is the express intention of the Parties that the exclusive venue of all legal actions and procedures of any nature whatsoever which related in any way to this Guaranty shall be the Circuit Court of Cook County, Illinois, or the United States District Court for the Northern District of Illinois (the "**Court**").

(b) If at any time during the Term, the Guarantor is not a resident of the State or has no officer, director, employee, or agent thereof available for service of process as a resident of the State, or if any permitted assignee thereof shall be a foreign corporation, partnership or other entity or shall have no officer, director, employee, or agent available for service of process in the State, the Guarantor or its assignee hereby designates the Secretary of the State of Illinois, as its agent for the service of process in any court action between it and the City or arising out of or relating to this Guaranty and such service shall be made as provided by the laws of the State of Illinois for service upon a non-resident.

24. Guarantor acknowledges that it expects to benefit from the extension of the Agreement to Developer because of its relationship to Developer, and that it is executing this Guaranty in consideration of that anticipated benefit.

25. Notwithstanding anything to the contrary in this Guaranty or the Agreement, the obligations of Guarantor under this Guaranty with respect to the Developer's Obligations shall terminate and be of no further force or effect (subject to reinstatement pursuant to paragraph 10 hereof) upon the date that is two (2) years from the later of (i) the date on which Developer achieves Operations Commencement (Permanent Project) or (ii) the date on which Developer achieves Final Completion (Permanent Project). (For the avoidance of doubt, Final Completion (Permanent Project) does not include the Hotel Extension Rooms.)

26. The City shall not issue a written release of Developer, other than as it may be compelled to do so by court order unless it issues a similar release of Guarantor.

IN WITNESS WHEREOF, this Guaranty has been duly executed as of the day and year first above written.

CITY OF CHICAGO, ILLINOIS, a municipal corporation

By:____________________________
Its:____________________________

BALLY'S CORPORATION, a Delaware corporation

By: __________________________
Its:___________________________

[Signature Page – Guaranty]