

TRUMP HOTELS & CASINO RESORTS INC
Form DEF 14A
April 30, 2004
Table of Contents

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a)

of the Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

<input type="checkbox"/>	Preliminary Proxy Statement	<input type="checkbox"/>	Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
<input checked="" type="checkbox"/>	Definitive Proxy Statement		
<input type="checkbox"/>	Definitive Additional Materials		
<input type="checkbox"/>	Soliciting Material Under Rule 14a-12		

TRUMP HOTELS & CASINO RESORTS, INC.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Edgar Filing: TRUMP HOTELS & CASINO RESORTS INC - Form DEF 14A

Payment of Filing Fee (Check the appropriate box):

No Fee Required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials:

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

TRUMP HOTELS & CASINO RESORTS, INC.

1000 Boardwalk at Virginia Avenue

Atlantic City, New Jersey 08401

Dear Fellow Stockholders:

We cordially invite you to attend our 2004 Annual Stockholders Meeting, which will be held on Thursday, June 10, 2004, at 11:00 a.m. in the Xanadu Theater at the Trump Taj Mahal Casino Resort, located at 1000 Boardwalk, Atlantic City, New Jersey.

The enclosed Proxy Statement contains details concerning the business to come before the meeting. Please review this information carefully. Please note that our Board of Directors recommends a vote FOR each proposal listed in the Proxy Statement. Whether or not you expect to attend, please promptly complete, sign, date and return the enclosed proxy card so that your shares will be represented at the meeting.

We look forward to seeing you at the meeting and thank you for your continued support of the Company.

Sincerely,
Donald J. Trump

Chairman of the Board of Directors,

President and Chief Executive Officer

New York, New York

April 30, 2004

Table of Contents

TRUMP HOTELS & CASINO RESORTS, INC.

NOTICE OF MEETING

The 2004 Annual Stockholders Meeting of Trump Hotels & Casino Resorts, Inc., or the Company, will be held on Thursday, June 10, 2004, commencing at 11:00 a.m. in the Xanadu Theater at the Trump Taj Mahal Casino Resort, located at 1000 Boardwalk, Atlantic City, New Jersey for the following purposes:

1. To elect five (5) directors to the Company's Board of Directors for a one (1) year term or until each director's successor is elected and qualified;
2. To ratify the appointment of Ernst & Young LLP as the Company's independent public auditors for the 2004 fiscal year; and
3. To transact any other business that may properly come before the meeting or any adjournment or postponement of the meeting.

Stockholders of record owning Company shares at the close of business on April 16, 2004, are entitled to notice of, and to attend and vote at the meeting. A complete list of these stockholders will be available for ten days prior to the meeting at the Company's executive offices located at Trump Taj Mahal Casino Resort, 1000 Boardwalk, Atlantic City, New Jersey 08401. The transfer books of the Company will remain open following the Record Date.

Your Board of Directors recommends that you vote FOR the proposals.

Sincerely,
Robert M. Pickus

Executive Vice President, Secretary

and General Counsel

Atlantic City, New Jersey

April 30, 2004

Table of Contents

TABLE OF CONTENTS

	Page
<u>Proxy Statement</u>	1
<u>Introduction</u>	1
<u>Questions and Answers</u>	2
PROPOSAL 1:	
<u>Election of Directors</u>	5
<u>General Information</u>	5
<u>Corporate Governance</u>	7
<u>The Board of Directors and Committees of the Board of Directors</u>	7
<u>Financial Expert</u>	8
<u>Process for Stockholders to Recommend Nominees for Directors</u>	8
<u>Communication With the Board of Directors and the Audit Committee</u>	9
<u>Compensation of Directors</u>	9
<u>Security Ownership of Certain Beneficial Owners and Management</u>	9
<u>Code of Ethics</u>	10
PROPOSAL 2:	
<u>Ratification of Appointment of Independent Public Auditors</u>	11
<u>Other Matters at the Meeting</u>	12
<u>Report of the Audit Committee</u>	12
<u>Fees Paid to Ernst & Young LLP</u>	13
<u>Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services by Independent Auditors</u>	13
<u>Executive Officer Compensation</u>	14
<u>Summary Compensation Table</u>	14
<u>1995 Stock Incentive Plan</u>	15
<u>Option Grants in Fiscal 2003</u>	15
<u>Fiscal Year Option Value</u>	15
<u>Employment Agreements, Termination of Employment and Change-In-Control Arrangements</u>	15
<u>Report of the Compensation Committee and Stock Incentive Plan Committee on Executive Compensation</u>	18
<u>Performance of our Common Stock</u>	20
<u>Certain Relationships and Related Transactions</u>	21
<u>Section 16(A) Beneficial Ownership Reporting Compliance</u>	23
<u>Costs of Proxy Solicitation</u>	24
<u>Stockholder Proposals for 2005 Annual Meeting</u>	24

Table of Contents

PROXY STATEMENT

Introduction

Our Board of Directors (the Board) is soliciting proxies for the 2004 Annual Stockholders Meeting. This Proxy Statement contains important information for you to consider when deciding how to vote on the matters brought before the meeting. Please read it carefully.

In this Proxy Statement:

We, Us, Our, the Company and THCR means Trump Hotels & Casino Resorts, Inc.; and

Annual Meeting means the 2004 Annual Stockholders Meeting to be held on Thursday, June 10, 2004, at 11:00 a.m. in the Xanadu Theater at the Trump Taj Mahal Casino Resort, located at 1000 Boardwalk, Atlantic City, New Jersey.

Our principal executive offices are located in the Trump Taj Mahal Casino Resort at 1000 Boardwalk, Atlantic City, New Jersey 08401. The main telephone number of the Company's executive offices is (609) 449-6515. A copy of the Company's 2003 Annual Report, this Proxy Statement and the accompanying proxy card are first being sent or given to stockholders on or about April 30, 2004.

Table of Contents

QUESTIONS AND ANSWERS

Question #1. What will stockholders vote on at the Annual Meeting?

Answer #1. At the Annual Meeting, stockholders will be asked to vote on the following proposals:

1. To elect five (5) directors to the Company's Board for a one-year term or until their respective successors are elected and qualified;
2. To ratify the appointment of Ernst & Young LLP as the Company's independent public auditors for the 2004 fiscal year.

Stockholders will also transact any other business that properly comes before the Annual Meeting.

Question #2. Who may vote at the Annual Meeting?

Answer #2. The record date for the meeting is April 16, 2004 (the Record Date). Our stockholders of record at the close of business on that date are entitled to notice of, and to attend and vote at the Annual Meeting. As of the close of business on the Record Date, there were issued and outstanding (i) 29,904,764 shares of our common stock and (ii) 1,000 shares of our Class B common stock. Each share of our common stock entitles the holder thereof to one vote on each proposal to be acted upon at the Annual Meeting. The 1,000 shares of Class B common stock, all of which are beneficially owned by Donald J. Trump, our Chairman, President and Chief Executive Officer, are entitled to an aggregate of 13,918,723 votes on each proposal to be acted upon at the Annual Meeting. Our common stock and Class B common stock will vote as a single class on the proposals contained in this Proxy Statement.

Question #3. What if my shares are held in street name by a broker?

Answer #3. If you are the beneficial owner of shares held in street name by a broker, your broker, as the record holder of the shares, must vote those shares in accordance with your instructions. If you do not give instructions to your broker, your broker can vote your shares with respect to discretionary items, but not with respect to non-discretionary items. On non-discretionary items for which you do not give instructions, the shares will be treated as broker non-votes. A discretionary item is a proposal that is considered routine under the rules of the New York Stock Exchange. Shares held in street name may be voted by your broker on discretionary items in the absence of voting instructions given by you. The proposals regarding the election of directors and ratification of our independent auditors are considered routine and therefore, may be voted upon by your broker if you do not give instructions for the shares held by your broker.

Question #4. How many shares must be present to hold the Annual Meeting?

Answer #4. The presence in person or by proxy of the holders of a majority of the combined outstanding voting power of the common stock and the Class B common stock is necessary to constitute a quorum in connection with the transaction of business at the Annual Meeting.

Table of Contents

Question #5. What if a quorum is not present at the Annual Meeting?

Answer #5. If a quorum is not present at the scheduled time of the Annual Meeting, we may adjourn the Annual Meeting, either with or without a vote of the stockholders. If we propose to have the stockholders vote whether to adjourn the meeting, the people named in the enclosed proxy will vote all shares of our common stock for which they have voting authority in favor of the adjournment. We also may adjourn the Annual Meeting if for any reason we believe that additional time should be allowed for the solicitation of proxies. An adjournment will have no effect on the business that may be conducted at the Annual Meeting.

Question #6. How do I vote?

Answer #6. All stockholders are cordially invited to attend the Annual Meeting. Whether or not you expect to attend, you are kindly requested to complete, sign and date and promptly return the enclosed proxy card. A return envelope which requires no postage if mailed within the United States has been enclosed for your convenience.

Please note that if your shares are held in street name by a broker or other nominee and wish to vote at the Annual Meeting, you will need to obtain a proxy form from the institution that holds your shares.

Question #7. Can I change my vote after I submit my proxy?

Answer #7. Yes. Stockholders who execute proxy cards retain the right to revoke them at any time prior to the voting thereof at the Annual Meeting by one of the following methods: (i) by filing written notice of such revocation, (ii) by submitting a duly executed proxy card bearing a later date or (iii) by voting in person at the Annual Meeting.

Your attendance at the Annual Meeting will not have the effect of revoking your proxy unless you give written notice of revocation to the Corporate Secretary of the Company before the polls are closed. Any written notice revoking a proxy should be sent to Robert M. Pickus, Corporate Secretary, Trump Taj Mahal Casino Resort, 1000 Boardwalk, Atlantic City, New Jersey 08401 and must be received before the polls are closed.

Question #8. Who will count the votes?

Answer #8. The votes will be tabulated and certified by our transfer agent, Continental Stock Transfer & Trust Company. A representative of Continental Stock Transfer & Trust Company will serve as the inspector of elections.

Question #9. How does the Board recommend I vote on the proposals?

Answer #9. The Board recommends that you vote FOR each of the proposals at the Annual Meeting.

Question #10. What if I do not specify how my shares are to be voted?

Answer #10. If you send in a signed proxy card but do not give any voting instructions, your shares will be voted FOR all proposals listed on the proxy card.

Question #11. Will any other business be conducted at the Annual Meeting?

Answer #11. Our Board does not know of any other business that will be presented at the Annual Meeting. If any other proposal properly comes up for a vote at the meeting, however, the proxy holders will vote your shares in the accordance with their best judgment.

Table of Contents

Question #12. What are my voting options on each proposal?

Answer #12. You have three choices on each of the matters to be voted on at the Annual Meeting. On the election of directors, by checking the appropriate box on your proxy card, you may: (i) vote FOR all of the director nominees as a group; (ii) WITHHOLD AUTHORITY to vote for all director nominees as a group; or (iii) vote for all director nominees as a group except for those nominees you identify on the appropriate line. On the proposal regarding the ratification of the Company's auditors, by checking the appropriate box on your proxy card, you may: (i) vote FOR the proposal; (ii) vote AGAINST the proposal; or (iii) ABSTAIN from voting on the proposal.

Question #13. How many votes are required to approve the proposals?

Answer #13. The affirmative vote of a plurality of shares of common stock and Class B common stock present in person or by proxy and entitled to vote at the Annual Meeting is required for the election of directors. The affirmative vote of a majority of shares of common stock and Class B common stock present in person or by proxy and entitled to vote at the Annual Meeting, excluding absentions, is required to approve the ratification of the Company's auditors.

Question #14. How will abstentions be treated?

Answer #14. If you abstain from voting on one or more proposals, we will still include your shares for purposes of determining whether a quorum is present. Other than for quorum purposes, abstentions will have no effect on the outcome of the votes on the proposals to be acted upon at the Annual Meeting.

Question #15. How will Broker Non-Votes be treated?

Answer #15. Broker Non-Votes (i.e., proxies from brokers or nominees indicating that such persons have not received instructions from the beneficial owner or other persons entitled to vote shares as to non-discretionary matters) will be treated as present for purposes of determining the presence of a quorum at the Annual Meeting but will have no effect on the outcome of the votes on the proposals to be acted upon at the Annual Meeting.

Question #16. What happens if a director nominee is unable to stand for election?

Answer #16. If a director nominee is unable to stand for election, our Board may either reduce the number of directors to be elected or select a substitute nominee. If a substitute nominee is selected, the proxy holders will vote your shares for the substitute nominee, unless you have withheld authority.

Table of Contents**PROPOSAL 1****ELECTION OF DIRECTORS****General Information**

Our bylaws provide for a Board of not less than one (1) nor more than fifteen (15) directors and authorizes the Board to choose the number of directors within that range by a majority vote. The number of directors currently set by the Board is five. All directors are non-employees, except for Donald J. Trump, the President and Chief Executive Officer of the Company. All non-employee directors have been determined by the Board to be independent under the New York Stock Exchange listing standards.

Five (5) nominees are to be elected to the Company's Board at the Annual Meeting. Each director is expected to hold office until the next annual stockholders' meeting or until his successor has been duly elected and qualified. If a proxy card is executed in such a manner as not to withhold authority for the election of any or all of the nominees to the Company's Board, the persons named on the proxy card will vote the shares represented by the proxy card FOR the election of the following five (5) director nominees. If the proxy card indicates that the stockholder wishes to withhold a vote from one or more specific nominee(s) as director(s), such instructions will be followed by the persons named on the proxy card.

All of the nominees listed below are currently members of the Company's Board. The Company's Board will continue to consist of five (5) members.

Should any one or more of the nominees become unable to serve for any reason or decides not to serve, neither of which is anticipated, the Board may, unless the Board by resolution provides for a lesser number of directors, designate substitute nominees, in which event the persons named on the proxy card will vote FOR the election of such substitute nominee or nominees.

The following table sets forth the name and age of each nominee and the year during which such individual commenced serving as a member of the Company's Board:

<u>Name</u>	<u>Age</u>	<u>Director Since</u>
Donald J. Trump	57	1995
Wallace B. Askins	73	1995
Don M. Thomas	73	1995
Peter M. Ryan	66	1995
Robert J. McGuire	67	2001

OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A

VOTE FOR THE ELECTION OF THE ABOVE-NAMED DIRECTOR NOMINEES.

Below is a brief summary of the business background of each nominee named above:

Donald J. Trump has been serving as the President and Chief Executive Officer of each of THCR, Trump Hotels & Casino Resorts Funding, Inc. (THCR Funding) and Trump Hotels & Casino Resorts Holdings, L.P. (THCR Holdings) since June 2000. Also since June 2000, Trump has been serving as the (i) President of each of Trump Atlantic City Holding, Inc. (Trump AC Holding), Trump Atlantic City Associates (Trump AC), Trump Atlantic City Funding, Inc. (Trump AC Funding), Trump Atlantic City Funding II, Inc. (Trump AC Funding II), Trump Atlantic City Funding III, Inc. (Trump AC Funding III), Trump Atlantic City Corporation (TACC) and THCR Enterprises, LLC; (ii) President and Chief Executive Officer of each of Trump s Castle Funding, Inc. (Castle Funding) (dissolved on June 4, 2003) and Trump Marina, Inc.; (iii) President of Trump

Table of Contents

Indiana, Inc.; (iv) President and Treasurer of THCR/LP Corporation (THCR/LP); and (v) Chief Executive Officer of Trump Taj Mahal Associates (Taj Associates). Since June 1998, Trump has been serving as the President, Treasurer and sole director of Trump Casinos, Inc. (TCI). Since the consummation of its Notes Offering in March 2003, Mr. Trump has been serving as the President, Chief Executive Officer and Chairman of the Board of Trump Casino Holdings, LLC (TCH) and Trump Casino Funding, Inc. (TCF). Until April 1998, Trump served as the President and Treasurer of Castle Funding. Since November 1997, Trump has been serving as the Chairman of each of Trump AC Funding II and Trump AC Funding III, and as the Chairman of THCR Enterprises, Inc. since January 1997. Since January 1996, he has been serving as the Chairman of Trump AC Funding. Since March 1995, Trump has been the Chairman of each of THCR, THCR Funding and THCR Holdings. Since February 1993, Trump has been the Chairman of Trump AC Holding. Since December 1992, Trump has been serving as the sole director of Trump Indiana, Inc. From May 1992 through March 2003, Trump was the Chairman of the Board of Partner Representatives of Marina Associates. Since November 1991, Trump has been serving as the President, Treasurer and sole director of TCI-II. Since October 1991, he has been the Chairman of each of THCR Holding Corp. and THCR/LP. Since March 1991, Trump has been the President and Treasurer of THCR Holding Corp. and the sole director of TACC. Since May 1986, he has been serving as the President and sole director of Realty Corp. Since March 1986, he has been the Chairman, President and Treasurer of Plaza Funding. Since March 1985, Trump has been the Chairman of Trump Marina, Inc. From February 1993 through December 1997, Trump served as the President of Trump AC Holding. From March 1991 through December 1997, Trump served as the President and Treasurer of TACC. Trump is also currently the President and Chief Executive Officer of The Trump Organization, Inc. which has been in the business, through its affiliates and subsidiaries, of acquiring, developing and managing real estate properties for more than the past five years.

Wallace B. Askins has been serving as a director of each of THCR and THCR Funding since June 1995. Since December 1997, Mr. Askins has been a director of Trump AC Funding II and Trump AC Funding III. Since April 1996, he has been serving as a director of Trump AC Funding. Since April 1994, Mr. Askins has been serving as a director of Trump AC Holding. Upon consummation of the TCH Notes Offering in March 2003, Mr. Askins became a member of TCH s and TCF s Boards of Directors. From June 1984 to November 1992, Mr. Askins served as Executive Vice President, Chief Financial Officer and as a director of Armco, Inc.

Don M. Thomas has been serving as a director of each of THCR and THCR Funding since June 1995. Since December 1997, Mr. Thomas has been serving as a director of each of Trump AC Funding II and Trump AC Funding III. Since April 1996, he has been a director of Trump AC Funding. Since January 1985, Mr. Thomas has been serving as the Senior Vice President of Corporate Affairs of the Pepsi-Cola Bottling Co. of New York. From 1985 through 1987, Mr. Thomas served as a Commissioner and the acting Chairman of the Casino Reinvestment Development Authority (CRDA), and a Commissioner of the New Jersey Casino Control Commission from 1980 through 1984 during a portion of which time Mr. Thomas also served as the acting Chairman. Mr. Thomas is an attorney licensed to practice law in New York. Upon consummation of the TCH Notes Offering in March 2003, Mr. Thomas became a member of TCH s and TCF s Boards of Directors.

Peter M. Ryan has been serving as a director of each of THCR and THCR Funding since June 1995. He has also been the President of each of The Marlin Group, LLC and The Brookwood Carrington Fund, LLC, real estate financial advisory groups, since January 1995. Prior to that, Mr. Ryan was the Senior Vice President of The Chase Manhattan Bank for more than five years. Since October 2003, Mr. Ryan has served as the Chairman of the Board of Directors of Broadstone, Inc., a real estate investment corporation. Upon consummation of the TCH Notes Offering in March 2003, Mr. Ryan became a member of TCH s and TCF s Boards of Directors.

Robert J. McGuire has been a director of THCR and THCR Funding since July 2001. Mr. McGuire has been Counsel to the New York law firm of Morvillo, Abramowitz, Grand, Iason & Silberberg, P.C. since 1981. As an Assistant United States Attorney from 1962 through 1966, Mr. McGuire prosecuted cases in the Southern District of New York. In 1969, he established his own law firm of McGuire and Lawler where he worked until his appointment as New York City Police Commissioner. Mr. McGuire served as New York City Police

Table of Contents

Commissioner from 1978 to 1983. In 1984, Mr. McGuire was elected Chairman and Chief Executive Officer of Pinkerton's, Inc. where he remained for four years before joining Kroll Associates. Mr. McGuire resigned as President of Kroll Associates in 1997. Mr. McGuire serves on numerous Boards, including Six Flags, Inc. (NYSE: PKS) and Brazilian Equity Fund, Inc. (NYSE: BZL), and is the President of the Police Athletic League. Upon consummation of the TCH Notes Offering in March 2003, Mr. McGuire became a member of TCH's and TCF's Boards of Directors.

All of the persons listed above are citizens of the United States and have the necessary licenses and qualifications required by casino gaming regulatory authorities.

Corporate Governance

The Company has adopted corporate governance and related disclosure requirements required by the Sarbanes-Oxley Act of 2002, the rules of the Securities and Exchange Commission (SEC) implementing the Sarbanes-Oxley Act and the new listing standards of the New York Stock Exchange. This includes (i) modifying its Audit Committee charter and adopting written charters for the Nominating/Corporate Governance Committee and Compensation Committee and (ii) adopting Corporate Governance Guidelines, which address issues including the responsibilities, qualifications and compensation of the Board, as well as Board leadership, Board committees and self-evaluation. The written charters of these committees and the Corporate Governance Guidelines of the Company will be available on the Company's website on or about June 10, 2004 and may then be accessed at <http://www.trump.com>. Printed copies may be obtained without charge by writing to the Secretary the Company at 1000 Boardwalk at Virginia Avenue, Atlantic City, New Jersey 08401.

The Board of Directors and Committees of the Board of Directors

Our Board met eleven (11) times during 2003. During the year, none of the directors attended fewer than 85% of the aggregate of (i) the total number of meetings of the Board and (ii) the total number of meetings held by all committees of the Board on which such individuals served.

Our Board has five committees: (i) Audit, (ii) Special, (iii) Stock Incentive Plan, (iv) Compensation, and (v) Nominating/Corporate Governance. Below is a brief description of the duties and responsibilities of each of the foregoing committees and the names of the directors comprising each committee:

Audit Committee: The current members of the Audit Committee are Messrs. Askins, McGuire, Ryan and Thomas, each of whom is an independent director of the Company, as that term is defined in the New York Stock Exchange's listing standards. The responsibilities of the Audit Committee are outlined in its written charter, and include: selecting, appointing, compensating and overseeing the Company's independent accounting firm; assisting the Board in fulfilling oversight responsibilities on the integrity of the Company's financial statements; reviewing the qualifications, independence and performance of the independent auditors; evaluating the performance of the internal audit function; and producing the Report of the Audit Committee as required by the SEC to be included in the proxy statement for the annual meeting of stockholders.

The Audit Committee met fourteen (14) times during 2003. The charter of the Audit Committee will be available on the Company's website on or about June 10, 2004 and may then be accessed at www.trump.com.

Edgar Filing: TRUMP HOTELS & CASINO RESORTS INC - Form DEF 14A

Special Committee: The Special Committee was established pursuant to our bylaws and the THCR Holdings partnership agreement. The Special Committee is empowered to vote on any matters which require approval of a majority of the independent directors of THCR, including transactions with affiliates. All proposed transactions involving THCR or THCR Holdings in which Mr. Trump has a personal interest valued over \$200,000 or any transaction between THCR and any officer or director having a value of at least \$200,000 (other than transactions relating to salary or other compensation paid

Table of Contents

in the ordinary course of business), is required to be reviewed by the Special Committee, which makes findings and recommendations to the Board with respect to such proposed transactions. At all times, the Special Committee is required to be comprised of at least two non-employee directors, one of whom is required to be Mr. McGuire or his successor who shall be an independent director, and no employee directors. The current members of the Special Committee are Messrs. Askins, Thomas, Ryan and McGuire. The Special Committee met five (5) times during 2003.

Stock Incentive Plan Committee: The current members of the Stock Incentive Plan Committee are Messrs. Askins, Ryan and Thomas. The Stock Incentive Plan Committee is responsible for administering the Trump Hotels & Casino Resorts, Inc. 1995 Stock Incentive Plan, or the 1995 Stock Plan, and has the authority to grant awards to individuals pursuant to the 1995 Stock Plan, to determine the number of awards to be so granted, the term of such awards, any vesting requirements and any other administrative determinations required in connection therewith. The Stock Incentive Plan Committee met once during 2003.

Compensation Committee: The current members of the Compensation Committee are Messrs. Askins and Thomas, both of whom are independent directors. The Compensation Committee provides assistance to the Board to ensure that the Company's officers, executives and directors are compensated in accordance with the Company's total compensation objectives and executive compensation policies, strategies and pay levels necessary to support organizational objectives. The Compensation Committee met once during 2003. The charter of the Compensation Committee will be available on the Company's website on or about June 10, 2004 and may then be accessed at www.trump.com.

Nominating/Corporate Governance Committee: The current members of the Nominating/Corporate Governance Committee, which was recently formed, are Messrs. Askins, Thomas, Ryan and McGuire, each of whom is an independent director. The Nominating/Corporate Governance Committee is responsible for, among other things, identifying individuals qualified to become members of the Board consistent with criteria approved by the Board, recommending to the Board director nominees for the annual meeting of stockholders, developing and recommending to the Board a set of corporate governance policies and having a leading role in shaping the Company's corporate governance. The charter of the Nominating/Corporate Governance Committee will be available on the Company's website on or about June 10, 2004 and may then be accessed at www.trump.com. Since Donald J. Trump has the voting power equivalent to approximately 54.5% of the outstanding common stock of the Company (excluding options exercisable within sixty (60) days), he effectively controls the ability to elect the entire Board notwithstanding any recommendations of the Nominating/Corporate Governance Committee or any other stockholder of the Company.

Financial Expert

Our Board has determined that Mr. Askins is a financial expert (as defined by Section 407 of the Sarbanes-Oxley Act of 2002). Mr. Askins is an independent director, as that term is defined by the applicable requirements of the New York Stock Exchange, and serves on our Board's Audit Committee, Stock Incentive Plan Committee, Special Committee, Compensation Committee and Nominating/Corporate Governance Committee. See Directors and Executive Officers of the Registrant; Wallace B. Askins.

Process for Stockholders to Recommend Nominees for Directors

Stockholders wishing to recommend a candidate to be considered by the Nominating/Corporate Governance Committee for nomination as a director to serve from and after the Company's 2005 Annual Meeting may do so by writing to the Corporate Secretary the Company at 1000 Boardwalk at Virginia Avenue, Atlantic City, New Jersey 08401. Any such communication must include all information with respect to the candidate required to be disclosed in the solicitation of proxies pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, and the rules thereunder, including the recommended candidate's consent. The stockholder submitting the recommendations must provide his or her name, address and number of shares of voting stock owned

Table of Contents

beneficially and of record including a statement as to how long the stockholder has held such stock. The Secretary will review all written recommendation and send those conforming to the requirements to the Nominating/Corporate Governance Committee.

Communication with the Board of Directors and the Audit Committee

Stockholders can communicate directly with the Board by writing to Board of Directors c/o the Corporate Secretary of the Company at 1000 Boardwalk at Virginia Avenue, Atlantic City, New Jersey 08401. If a stockholder would like the letter to be forwarded directly to the Chairman of the Board or to one of the members of the standing committees of the Board, he or she should so indicate in the letter to the Secretary. If no specific direction is indicated, the Secretary will review the letter and forward it to an appropriate Board member. Any report regarding questionable accounting practices, internal accounting controls or auditing matters will be forwarded by the Secretary to the Chairman of the Board and the Chairman of the Audit Committee.

Compensation of Directors

Mr. Trump, the Chairman of the Board, President and Chief Executive Officer of THCR, received no additional remuneration for serving on the Board of THCR for the fiscal year ended December 31, 2003. The Board's independent directors are paid an annual stipend of \$50,000, plus \$2,000 per meeting attended and reasonable out-of-pocket expenses incurred in attending such meeting. As a matter of policy, directors who are also employees or consultants of the Company are not paid any fees.

Security Ownership of Certain Beneficial Owners and Management

The table below sets forth the beneficial ownership of our voting securities as of March 30, 2004 for all current directors, the executive officers named in the Summary Compensation Table and all directors and executive officers as a group. Pursuant to Rule 13d-3 under the Exchange Act, shares of common stock which are issuable upon the exercise of options currently exercisable or exercisable within 60 days are deemed beneficially owned and outstanding for purposes of computing the ownership percentage of outstanding common stock owned by that person but are not deemed to be outstanding for purposes of computing the ownership percentage of any other person. By reason of his beneficial ownership of in excess of a majority of the outstanding common stock of THCR (including the ability to vote certain securities described below in note 4, as if they were exchanged for common stock), Mr. Trump effectively controls THCR.

Name and Address of Beneficial Owner (1)	Common Stock		Class B Common Stock	
	Number of Shares Beneficially Owned	Percent of Class (2)	Number of Shares Beneficially Owned	Percent of Class (3)
Donald J. Trump	25,679,610(4)	56.29%	1,000(5)	100%
Mark A. Brown	41,000(6)	*		
Scott C. Butera	0			
Robert M. Pickus	50,000(7)	*		
Francis X. McCarthy, Jr.	30,761(8)	*		

Edgar Filing: TRUMP HOTELS & CASINO RESORTS INC - Form DEF 14A

Wallace B. Askins	16,000(9)	*		
Don M. Thomas	8,500(10)	*		
Peter M. Ryan	26,000(11)	*		
Robert J. McGuire	3,500(12)	*		
All Executive Officers and Directors (as a group without naming them) (11 persons)	25,944,696(13)	56.59%	1,000	100%

* Represents less than one percent.

Table of Contents

- (1) The address of each beneficial owner is c/o Trump Hotels & Casino Resorts, Inc., 1000 Boardwalk, Atlantic City, New Jersey 08401.
- (2) Based on 29,904,764 shares of common stock outstanding as of March 30, 2004 and shares of THCR common stock issuable upon the exercise of options currently exercisable or exercisable within 60 days and, in the case of Mr. Trump, the common stock issuable upon the conversion of his THCR Holdings limited partnership interests.
- (3) Based on 1,000 shares of class B common stock outstanding as of March 30, 2004.
- (4) Includes currently exercisable options to purchase (i) 500,000 shares for \$4.625 per share, (ii) 500,000 shares for \$2.625 per share, (iii) 500,000 shares for \$2.20 per share, and (iv) 300,000 shares for \$2.75 per share. Also includes 13,918,723 shares issuable upon the conversion of limited partnership interests in THCR Holdings. Excludes unvested options to purchase 200,000 shares at a \$2.75 per share. Mr. Trump has stated in the amendments to his Schedule 13D filed with the SEC that he may effect, from time to time, open market and privately negotiated purchases of equity and/or debt securities of THCR and/or its subsidiaries.
- (5) Mr. Trump's 1,000 shares of THCR Class B common stock represents the economic interests of his limited partnership interests in THCR Holdings. The 1,000 shares of Class B common stock have the voting equivalency of 13,918,723 shares of common stock and are redeemable at par to the extent Mr. Trump converts his limited partnership interests in THCR Holdings into THCR common stock.
- (6) Includes currently exercisable options to purchase (i) 8,000 shares for \$4.625 per share and (ii) 30,000 shares for \$2.75 per share. Excludes unvested options to purchase 20,000 shares for \$2.75 per share.
- (7) Includes currently exercisable options to purchase (i) 30,000 shares for \$4.625 per share and (ii) 18,000 shares for \$2.75 per share. Excludes unvested options to purchase 12,000 shares for \$2.75 per share.
- (8) Includes currently exercisable options to purchase (i) 10,000 shares for \$4.625 per share and (ii) 18,000 shares for \$2.75 per share. Excludes unvested options to purchase 12,000 shares for \$2.75 per share.
- (9) Includes currently exercisable options to purchase (i) 2,500 shares for \$4.625 per share, (ii) 3,000 shares for \$2.75 per share and (iii) 500 shares for \$1.95 per share. Excludes unvested options to purchase 2,000 shares for \$2.75 per share and 2,000 shares for \$1.95 per share.
- (10) Includes currently exercisable options to purchase (i) 2,500 shares for \$4.625 per share, (ii) 3,000 shares for \$2.75 per share and (iii) 500 shares for \$1.95 per share. Excludes unvested options to purchase 2,000 shares for \$2.75 per share and 2,000 shares for \$1.95 per share.
- (11) Includes currently exercisable options to purchase (i) 2,500 shares for \$4.625 per share, (ii) 3,000 shares for \$2.75 per share and (iii) 500 shares for \$1.95 per share. Excludes unvested options to purchase 2,000 shares for \$2.75 per share and 2,000 shares for \$1.95 per share.
- (12) Includes currently exercisable options to purchase (i) 3,000 shares for \$2.75 per share and (ii) 500 shares for \$1.95 per share. Excludes unvested options to purchase 2,000 shares for \$2.75 per share and 2,000 shares for \$1.95 per share.
- (13) Includes (i) currently exercisable options to purchase 2,016,500 shares and (ii) 13,918,723 shares issuable upon the conversion of limited partnership interests of THCR Holdings. Excludes unvested options to purchase 276,000 shares.

Code of Ethics

In January 2003, the Board adopted a Code of Ethics that applies to our executive officers, including, among others, our chief executive officer and senior financial officers. The Code of conduct will be available on the Company's website on or about June 10, 2004 and may then be accessed at www.trump.com. Printed copies may be obtained without charge by writing to the Secretary the Company at 1000 Boardwalk at Virginia Avenue, Atlantic City, New Jersey 08401.

Table of Contents

PROPOSAL 2

RATIFICATION OF APPOINTMENT OF INDEPENDENT PUBLIC AUDITORS

Our Board, acting on the recommendation of its Audit Committee, has appointed Ernst & Young LLP, a firm of independent public auditors, as our independent public auditors to examine and report to stockholders on the consolidated financial statements of our Company and its subsidiaries for the year ending December 31, 2004. Representatives of Ernst & Young LLP will be present at the Annual Meeting and will be given an opportunity to make a statement. They also will be available to respond to appropriate questions.

The action of the Audit Committee in appointing Ernst & Young LLP as the Company's independent public auditors for the year ending December 31, 2004 will be ratified upon an affirmative vote of the holders of a majority of shares of our common stock present in person or represented by proxy at the Annual Meeting, excluding abstentions.

On June 3, 2002, we dismissed our independent auditors, Arthur Andersen LLP (Andersen), and engaged the services of Ernst & Young LLP as our new independent auditors. This action followed the entry of an order effective May 15, 2002 of the New Jersey Casino Control Commission prohibiting New Jersey casino licensees, and their holding companies, from conducting business directly or indirectly with Andersen. Our Board and Audit Committee participated in and approved the decision to dismiss Andersen and engage Ernst & Young LLP.

During the two years ended December 31, 2000 and 2001 and the subsequent period through June 3, 2002, there were no disagreements between us and Andersen on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreements, if not resolved to Andersen's satisfaction, would have caused Andersen to make reference to the subject matter of the disagreement in connection with its reports on our financial statements for such periods.

None of the reportable events described under Item 304(a)(1)(v) of Regulation S-K occurred within our two fiscal years ended December 31, 2001 and 2002 or the subsequent period through June 3, 2002.

The reports of Andersen on our consolidated financial statements and the financial statements of Trump AC and Trump's Castle Associates, L.P. (now known as Trump Marina Associates, L.P.) as of and for the fiscal years ended December 31, 2000 and 2001 did not contain any adverse opinion or disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope or accounting principles. The Company reported the preceding information concerning the dismissal of Andersen in a Form 8-K filed with the SEC on June 4, 2002.

In its letter, dated June 3, 2002, to the Office of the Chief Accountant of the SEC, a copy of which was filed as an exhibit to our Form 8-K, Andersen stated that it agreed with our statements made in the Form 8-K.

OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR PROPOSAL 2 RATIFYING THE APPOINTMENT OF THE COMPANY'S INDEPENDENT PUBLIC AUDITORS FOR THE 2004 FISCAL YEAR.

Stockholder ratification of the selection of Ernst & Young LLP as the Company's independent public auditors is not required by the Company's bylaws or otherwise. However, the Audit Committee is submitting the selection of Ernst & Young LLP to the stockholders for ratification as a matter of corporate practice. If the stockholders fail to ratify the selection, the Audit Committee will reconsider the retention of that firm for the next year. Even if the selection is ratified, the Audit Committee, in its discretion, may direct the appointment of a different independent public accounting firm at any time during the year if the Board determines that such a change would be in the best interests of the Company and its stockholders.

Table of Contents

OTHER MATTERS AT THE MEETING

The Board does not know of any matters to be presented at the Annual Meeting other than those mentioned in this Proxy Statement. If any other matters are properly brought before the Annual Meeting, it is intended that the proxies will be voted in accordance with the best judgment of the person or persons voting the proxies.

REPORT OF THE AUDIT COMMITTEE

The following report of the Audit Committee shall not be deemed to be soliciting material or to be filed with the SEC under the Securities Act of 1933 or the Securities Exchange Act of 1934 or incorporated by reference in any document so filed.

The responsibilities of the Audit Committee are to assist the Board in fulfilling its oversight responsibilities as they relate to the Company's accounting policies, internal controls, financial reporting practices and regulatory compliance. The Audit Committee also selects the Company's independent auditors. The Audit Committee fulfills its responsibilities through periodic meetings with the Company's independent auditors, internal auditors and management. During 2003, the Audit Committee met fourteen (14) times, and the Audit Committee discussed the interim financial information contained in each quarterly earnings announcement with the Chief Financial Officer, the independent auditors and in-house counsel prior to public release.

The Audit Committee monitors matters related to the independence of Ernst & Young LLP. The Audit Committee received a letter from Ernst & Young LLP containing a description of all relationships between the auditors and the Company. The Audit Committee has satisfied itself as to the auditors' independence. Ernst & Young LLP has also confirmed in a letter to the Company that in its judgment, it is independent of the Company within the requirements of Independence Standards (IBS) Standard No. 1, *Independence Discussion with Audit Committees*.

The Audit Committee reviewed the audited financial statements of the Company as of and for the fiscal year ended December 31, 2003 with management and the independent auditors. Management has the responsibility for the preparation and integrity of the Company's financial statements, the financial process, the system of internal controls and of the financial information presented in reports. The independent auditors have responsibility for performing independent audits of the Company's consolidated financial statements in accordance with generally accepted auditing standards and for issuing a report thereon.

Based on the above-mentioned reviews, the Audit Committee has met and held discussions with management and the independent auditors. Management represented to the Audit Committee that the Company's consolidated financial statements were prepared in accordance with generally accepted accounting principles, and the Audit Committee has reviewed and discussed the consolidated financial statements with management and the independent auditors. The Audit Committee discussed with the independent auditors matters required to be discussed by Statement on Auditing Standards No. 61, *Communications with Audit Committees*, as amended.

The Audit Committee recommended to the Board that the Company's audited financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2003 for filing with the SEC.

Edgar Filing: TRUMP HOTELS & CASINO RESORTS INC - Form DEF 14A

The Audit Committee recommends the reappointment of Ernst & Young LLP as the independent auditors of the Company for the fiscal year ending December 31, 2004.

AUDIT COMMITTEE:

Wallace B. Askins

Don M. Thomas

Peter M. Ryan

Robert J. McGuire

Table of Contents**FEES PAID TO ERNST & YOUNG LLP**

The following table show the fees paid or accrued by the Company for audit and other services provided by Ernst & Young LLP during 2002 and 2003:

	Year Ended	
	December 31	
	2002(5)	2003
Audit Fees for Audit of 2002 Financial Statements (1):	\$ 704,000	\$ 1,674,000
Financial Information Systems Design and Implementation Fees (2):	\$ -0-	\$ -0-
Audit-Related Fees (3):	\$ -0-	\$ 61,000
Tax Fees (4):	\$ 449,000	\$ 1,497,000
All Other Fees:	\$ -0-	\$ -0-
Total	\$ 1,153,000	\$ 3,232,000

- (1) Includes professional services rendered in connection with the audit of the Company's and its subsidiaries' financial statements for the most recent fiscal year, reviews of the financial statements included in each of the Company's and its subsidiaries' quarterly Reports on Form 10-Q during the fiscal years ended December 31, 2002 and December 31, 2003 and the issuance of comfort letters to underwriters and consents for filings with the SEC.
- (2) Ernst & Young LLP did not provide the Company or its subsidiaries with any professional services in connection with the design and implementation of financial information systems during the fiscal years ended December 31, 2002 and December 31, 2003.
- (3) Includes services rendered in connection with the audit of the Company's employee benefit plan and other accounting advice.
- (4) Includes services related to complete the Company's tax returns, and for tax planning and other services rendered to the Company during fiscal 2002 and 2003.
- (5) Differs from amount included in the prior year proxy. In the 2002 proxy, fees in the executed engagement letter in July 2002 for the audit of the 2002 Trump Capital Accumulation Plan (\$50,000) and the preparation of the 2002 tax returns (\$30,000) were reflected in the proxy on an accrual basis. Upon further review, such fees should be included in the proxy in the year service is performed as opposed to the year in which they relate. The fees for each of these matters are included in the 2003 fee disclosure as the service was performed in 2003.

AUDIT COMMITTEE PRE-APPROVAL OF AUDIT AND PERMISSIBLE**NON-AUDIT SERVICES BY INDEPENDENT AUDITORS**

The Audit Committee pre-approves all audit and non-prohibited, non-audit services provided by the independent auditors. These services may include audit services, audit-related services, tax services and other services. The Audit Committee has adopted a policy for the pre-approval of services provided by the independent auditors. Under the policy, pre-approval is generally provided for up to one year and any pre-approval is detailed as to the particular service or category of services and is subject to a specific budget. In addition, the Audit Committee may also pre-approve particular services on a case-by-case basis. For each proposed service, the Audit Committee has received detailed information sufficient to enable the Audit Committee to pre-approve and evaluate such service. The Audit Committee may delegate pre-approval authority to one or more of its members. Any pre-approval decisions made under delegated authority must be communicated to the Audit Committee at or before the next scheduled meeting. There were no waivers by the Audit Committee of the pre-approval requirement for permissible non-audit services in 2003.

Table of Contents**EXECUTIVE OFFICER COMPENSATION**

The Summary Compensation Table below sets forth certain compensation information concerning the Company's Chief Executive Officer and our four additional most highly compensation executive officers (the "Named Executive Officers") during the periods presented.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Annual Compensation		Long-Term Compensation	All Other Compensation
		Salary	Bonus	Securities Underlying Options (1)	
Donald J. Trump					
Chairman of the Board, President and Chief Executive Officer	2003	\$ 1,500,000			\$ 367,159(2)
	2002	\$ 1,500,000		500,000	\$ 3,888,927(2)
	2001	\$ 1,500,000		500,000	\$ 2,417,541(2)
Mark A. Brown					
Chief Operating Officer	2003	\$ 1,599,633	\$ 100,000		\$ 6,000(3)
	2002	\$ 1,128,608	\$ 350,000	50,000	\$ 5,066(3)
	2001	\$ 1,146,462			\$ 4,500(3)
Scott C. Butera (4)					
Exec. VP and Director of Corporate and Strategic Development	2003	\$ 461,536			
	2002	N/A	N/A	N/A	N/A
	2001	N/A	N/A	N/A	N/A
Robert M. Pickus					
Exec. VP, Secretary and General Counsel	2003	\$ 413,499	\$ 50,000		\$ 5,143(3)
	2002	\$ 381,468	\$ 100,000	30,000	\$ 4,714(3)
	2001	\$ 360,175			\$ 4,500(3)
Francis X. McCarthy, Jr.					
Exec. VP of Corp. Fin. and Chief Financial Officer	2003	\$ 414,385	\$ 100,000		\$ 6,000(3)
	2002	\$ 379,917	\$ 100,000	30,000	\$ 5,500(3)
	2001	\$ 354,186			\$ 5,100(3)

- (1) Options granted under THCR's 1995 Stock Plan. Options granted in 2002 vest in five equal installments, one-fifth on the date of grant and on each of the first four anniversary dates of the date of grant. Options granted in 2001 vest in three equal installments, one-third on the date of grant and on each of the first two anniversary dates of the date of grant.
- (2) The amounts listed for 2003 include amounts recorded pursuant to Amended Executive Agreements (as defined below), between Mr. Trump, THCR, THCR Holdings and Trump AC. The amounts listed for 2002 and 2001 include \$3.454 million, and \$2.207 million, respectively, recorded pursuant to the Castle Services Agreement (as defined below) in addition to reimbursement of expenses pursuant to the Amended Executive Agreement. The Castle Services Agreement was terminated in connection with the TCH Notes Offering. See Executive Officer Compensation; Employment Agreements, Termination of Employment and Change-in-Control Arrangements.
- (3) Represents vested and unvested contributions made by Plaza Associates, Taj Associates and/or Marina Associates to the Trump Capital Accumulation Plan. Funds accumulated for an employee under these plans consisting of a certain percentage of the employee's

Edgar Filing: TRUMP HOTELS & CASINO RESORTS INC - Form DEF 14A

compensation plus the employer matching contributions equaling 50% of the participant's contributions, are retained until termination of employment, attainment of age 59 1/2 or financial hardship, at which time the employee may withdraw his or her vested funds.

- (4) Mr. Butera joined the Company on September 3, 2003 pursuant to an employment contract, dated August 15, 2003. See Executive Officer Compensation; Employment Agreements, Termination of Employment and Change-in-Control Arrangements.

Table of Contents**1995 Stock Incentive Plan**

In June 1995, our Board adopted the Trump Hotels & Casino Resorts, Inc. 1995 Stock Incentive Plan, or the 1995 Stock Plan. Pursuant to the 1995 Stock Plan, directors, employees and consultants of THCR and its subsidiaries and affiliates are eligible to receive awards of various forms of equity-based incentive compensation, including stock options which are intended to qualify as incentive stock options (ISOs) under Section 422 of the Internal Revenue Code of 1986, as amended (the Code), as well as stock options not intended to so qualify (NQSOs), stock-appreciation rights (SARs), stock bonuses, restricted stock awards, performance units and phantom stock, and awards consisting of combinations of such incentives. The 1995 Stock Plan is administered by the Stock Incentive Plan Committee consisting of Messrs. Askins, Ryan and Thomas. Subject to the provisions of the 1995 Stock Plan, the Stock Incentive Plan Committee has sole discretionary authority to interpret the 1995 Stock Plan and to determine the type of awards to grant, when, if and to whom awards are granted, the number of shares covered by each award and the terms and conditions of the award.

In 1996, we obtained stockholder approval to increase the number of shares of our common stock authorized for issuance under the 1995 Stock Plan from one million to four million.

On January 12, 2004, THCR registered the 1995 Stock Plan and the underlying THCR common stock with the SEC on a registration statement on Form S-8 (File No.: 333-111848).

Option Grants in Fiscal 2003

No options were granted to the Named Executive Officers during the fiscal year ended December 31, 2003. On June 24, 2003, each of the independent directors of THCR received non-qualified stock options to purchase 2,500 shares of THCR common stock at a purchase price of \$1.95 per share. Such options vest in five equal installments (one fifth on the date of grant and on each of the first four anniversary dates of the date of grant) and expire on the tenth anniversary date of the date of grant.

None of the Named Executive Officers exercised any stock options during the fiscal year ended December 31, 2003. The following table sets forth information concerning the fiscal year-end value of unexercised options provided on an aggregate basis.

FISCAL YEAR OPTION VALUE (1)

Name	Number of Securities Underlying Unexercised Options at Fiscal Year End	
	Exercisable	Unexercisable
Donald J. Trump	1,700,000	300,000
Mark A. Brown	28,000	30,000
Scott C. Butera	0	0
Robert M. Pickus	42,000	18,000

Francis X. McCarthy, Jr.	22,000	18,000
--------------------------	--------	--------

(1) The closing sales price of our common stock on December 31, 2003 was \$2.16 and exceeded the exercise prices of these options.

Employment Agreements, Termination of Employment and Change-in-Control Arrangements

Donald J. Trump. During 2001 and 2002, Mr. Trump served as the Chairman of the Board pursuant to an executive agreement, dated as of June 12, 1995 (the Executive Agreement), by and among Trump, THCR and THCR Holdings. Pursuant to the Executive Agreement, Trump has agreed to act as President and Chief Executive Officer of THCR and to provide THCR, THCR Holdings and its subsidiaries, from time to time when reasonably requested and on a non-exclusive basis, consulting services relating to marketing, advertising,

Table of Contents

promotional and other similar related services with respect to the business and operations of THCR, THCR Holdings and its subsidiaries. In consideration for Mr. Trump's services under the Executive Agreement, Trump was paid \$1.5 million per year, plus reimbursement of expenses. On December 28, 1993, Marina Associates (then known as Castle Associates) entered into a services agreement (the Castle Services Agreement) with Trump Casinos II, Inc., or TCI-II, an entity wholly-owned by Donald J. Trump. Pursuant to the Castle Services Agreement, TCI-II agreed to provide Marina Associates consulting services on a non-exclusive basis. Upon the consummation of the TCH Notes Offering, Mr. Trump caused TCI-II to terminate the Castle Services Agreement under which TCI-II received the payments described as All Other Compensation in the Summary Compensation Table.

In consideration of Mr. Trump terminating the Castle Services Agreement, the Company determined, prior to the consummation of the TCH Notes Offering, to revisit Mr. Trump's compensation arrangements. On April 10, 2003, Mr. Trump, THCR and THCR Holdings entered into an Amended and Restated Executive Agreement (the Amended Executive Agreement). The Amended Executive Agreement amends and restates the Executive Agreement and was effective as of January 1, 2003. The Amended Executive Agreement was amended further on September 17, 2003 to add Trump AC as a party. Pursuant to the Amended Executive Agreement, Mr. Trump has agreed to act as the President and Chief Executive Officer of THCR and its subsidiaries, if requested. THCR has agreed to nominate Mr. Trump to serve as a director of THCR and, if elected, to appoint him as its Chairman. The initial term of the Amended Executive Agreement is three years and, thereafter, it is automatically extended so that the remaining term on any date is always three years, until such time during such rolling term that either party gives written notice to the other of its election not to continue extending such term, in which case the term shall end three years from the date of which such notice is given. THCR can terminate the Amended Executive Agreement if Mr. Trump fails to maintain various material casino gaming licenses and authorizations and the loss of such licenses has a material adverse effect on THCR and its subsidiaries.

Under the Amended Executive Agreement, Mr. Trump's annual base salary is \$1.5 million per year, beginning January 1, 2003. In addition, from and after January 1, 2003, Mr. Trump will be paid additional fixed compensation of \$1.5 million per year if the Company achieves consolidated EBITDA (as defined) of \$270 million in any year and incentive compensation equal to 5.0% of THCR's consolidated EBITDA in excess of \$270 million. The term Consolidated EBITDA means, with respect to the Company and its consolidated subsidiaries, for any period, an amount equal to the sum of (i) the net income (or loss) of the Company and its consolidated subsidiaries for such period determined in accordance with generally accepted accounting principles, consistently applied, excluding any extraordinary, unusual or non-recurring gains or losses, plus (ii) all amount deducted in computing such net income (or loss) in respect of interest (including the imputed interest portions of rentals under capitalized leases), depreciation, amortization and taxes based upon or measured by income, plus (iii) other non-cash charges arising from market value adjustments and adjustments pertaining to contributions of deposits in each case in respect of CRDA Bonds. Additional fixed compensation and incentive compensation for a given year shall not be deducted in determining net income of the Company for such year. Mr. Trump was not paid any additional fixed compensation for 2003 under the Amended Executive Agreement.

Mark A. Brown. Mr. Brown serves as the President and Chief Executive Officer of Plaza Associates, Taj Associates, Marina Associates and Trump Indiana, Inc. (collectively, the Trump Entities) pursuant to an employment agreement, dated August 2, 2000, or the Brown Employment Agreement, by and among Mr. Brown and Taj Associates. The Brown Employment Agreement, the term of which was effective as of July 1, 2000 and was extended on December 11, 2002 to expire on December 31, 2006, provides for an annual salary of (i) \$1.5 million for the 12-month period commencing January 1, 2003; (ii) \$1.6 million for the 12-month period commencing January 1, 2004; (iii) \$1.7 million for the 12-month period commencing January 1, 2005 and (iv) \$1.8 million for the 12-month period commencing January 1, 2006. The Brown Employment Agreement may be terminated by the Trump Entities for Cause, defined in the Brown Employment Agreement as (i) the revocation of Mr. Brown's casino key employee license, (ii) Mr. Brown's conviction for certain crimes, (iii) Mr. Brown's disability or death or (iv) Mr. Brown's breach of loyalty to the Trump Entities. Upon termination for Cause, Mr. Brown is entitled to receive compensation earned as of the date of termination; provided, however, that if

Table of Contents

Mr. Brown's employment is terminated due to Mr. Brown's disability or death, Mr. Brown or his estate, as the case may be, will be entitled to a lump sum severance payment equal to six months' compensation based on his then current salary. Mr. Brown may terminate the Brown Employment Agreement at any time following a Change of Control, effective on the 30th day after such effective notice, and Mr. Brown shall be entitled to receive a lump sum payment for the full amount of unpaid compensation for the full term of the Brown Employment Agreement.

Change of Control is defined in the Brown Employment Agreement as (i) the acquisition of (x) the Trump Entities or (y) more than 35.0% of our common stock, or equivalent limited partnership interests, by an unrelated party or (ii) the sale or long-term lease of all or substantially all of the assets of Trump Entities. Also, in the event Mr. Brown is transferred to a position located outside of Atlantic City, New Jersey, Mr. Brown shall have the right to terminate the Brown Employment Agreement within seven days of the occurrence of such transfer and shall be entitled to receive a severance payment equal to three months' compensation based on his then current salary. During the term of the Brown Employment Agreement, Mr. Brown has agreed not to obtain employment for or on behalf of any other casino hotel located in Atlantic City, New Jersey.

Scott C. Butera. Mr. Butera serves as Executive Vice President and Director of Corporate and Strategic Development of THCR and THCR Holdings, pursuant to an employment agreement, dated August 15, 2003, or the Butera Employment Agreement. The Butera Employment Agreement commenced on September 3, 2003, expires on September 2, 2006 and provides for an initial annual base salary of \$1.5 million. The Butera Employment Agreement may be terminated by THCR and THCR Holdings if Mr. Butera's key employee license is terminated and/or suspended or revoked or if Mr. Butera commits an act constituting Cause, defined in the Butera Employment Agreement as (i) Mr. Butera's breach of any of the provisions of the Butera Employment Agreement or any employment conduct rules; (ii) an act of dishonesty; (iii) Mr. Butera's deliberate and intentional refusal to perform his duties under the Butera Employment Agreement or Mr. Butera's failure, as determined solely by THCR and THCR Holdings, to properly perform and execute his duties under the Butera Employment Agreement; (iv) any act by Mr. Butera which in THCR's and THCR Holdings' sole opinion would adversely reflect upon THCR and THCR Holdings or would impair Mr. Butera's ability to effectively perform his duties under the Butera Employment Agreement; or (v) Mr. Butera's disability or death. Upon termination for Cause, Mr. Butera is entitled to receive compensation accrued yet unpaid as of the date of termination. During the term of the Butera Employment Agreement, Mr. Butera has agreed to devote his full time, attention and efforts to THCR's and THCR Holdings' business, and not to accept employment, either as an employee, consultant or independent contractor, with any other casino hotel located within a 250 mile radius of any casino owned, operated or managed by THCR, THCR Holdings or any subsidiary or affiliate thereof. Mr. Butera has also agreed not to consult with or otherwise engage, either directly or indirectly, in any other activities of a business nature for any other person or entity without THCR's and THCR Holdings' prior written consent.

Robert M. Pickus. Mr. Pickus serves as Executive Vice President and General Counsel of THCR, THCR Holdings and Trump AC (collectively, the Trump Companies) pursuant to an employment agreement, dated April 17, 2000, or the Pickus Employment Agreement. The Pickus Employment Agreement, as amended, expires on December 31, 2006 and provides for an initial annual base salary of \$400,000, which increases at a rate not less than 5% per annum commencing January 1, 2004, and a discretionary bonus. The Pickus Employment Agreement may be terminated by the Trump Companies for Cause, defined in the Pickus Employment Agreement as (i) the revocation of Mr. Pickus' casino key employee license, (ii) Mr. Pickus' conviction for certain crimes, (iii) Mr. Pickus' disability or death or (iv) Mr. Pickus' breach of his duty to the Trump Companies. Upon termination for Cause, Mr. Pickus is entitled to receive compensation accrued yet unpaid as of the date of termination. Mr. Pickus may terminate the Pickus Employment Agreement at any time following a Change of Control, effective on the 30th day after such effective notice, and Mr. Pickus shall be entitled to receive a lump sum payment for the full amount of unpaid compensation for the full term of the Pickus Employment Agreement. The Pickus Employment Agreement defines Change of Control as (i) the acquisition of (x) the Trump Companies or (y) more than 35.0% of our common stock, or equivalent limited partnership interests of THCR Holdings, by an unrelated party or (ii) the sale or long-term lease of all or substantially all of the assets of the Trump Companies. During the term of the Pickus Employment Agreement, Mr. Pickus has agreed to devote his full time, attention and efforts to the Trump Companies, and not to accept employment,

Table of Contents

either as an employee, consultant or independent contractor, with any other casino hotel located in Atlantic City, New Jersey. Mr. Pickus has also agreed not to consult with or otherwise engage, either directly or indirectly, in any other activities of a business nature for any other person or entity without the Trump Companies' prior written consent.

Francis X. McCarthy, Jr. Mr. McCarthy serves as Executive Vice President of Corporate Finance of the Trump Companies pursuant to an employment agreement, dated April 17, 2000, or the McCarthy Employment Agreement. The McCarthy Employment Agreement, as amended, expires on December 31, 2006 and provides for an initial annual base salary of \$400,000, which increases at a rate not less than 5% per annum commencing January 1, 2004, and a discretionary bonus. The McCarthy Employment Agreement may be terminated for Cause, defined in the McCarthy Employment Agreement as (i) the revocation of Mr. McCarthy's casino key employee license, (ii) Mr. McCarthy's conviction for certain crimes, (iii) Mr. McCarthy's disability or death or (iv) the breach by Mr. McCarthy of his duty to the Trump Companies. Upon termination for Cause, Mr. McCarthy is entitled to receive compensation accrued yet unpaid as of the date of termination. Mr. McCarthy may terminate the McCarthy Employment Agreement at any time following a Change of Control, effective on the 30th day after such effective notice, and Mr. McCarthy shall be entitled to receive a lump sum payment of the full amount of the unpaid compensation for the full term of the McCarthy Employment Agreement. The McCarthy Employment Agreement defines Change of Control as (i) the acquisition of (x) the Trump Companies or (y) more than 35.0% of our common stock, or equivalent limited partnership interests of THCR Holdings, by an unrelated party or (ii) the sale or long-term lease of all or substantially all of the assets of the Trump Companies. During the term of the McCarthy Employment Agreement, Mr. McCarthy has agreed to devote his full time, attention and efforts to the Trump Companies, and not to accept employment, either as an employee, consultant or independent contractor, with any other casino hotel located in Atlantic City, New Jersey. Mr. McCarthy has also agreed not to consult with or otherwise engage, either directly or indirectly, in any other activities of a business nature for any other person or entity without the Trump Companies' prior written consent.

Report of the Compensation Committee and Stock Incentive Plan Committee on Executive Compensation

The following report of the compensation committee and the performance graph that appears immediately after such report shall not be deemed to be soliciting material or to be filed with the SEC under the Securities Act of 1933 or the Securities Exchange Act of 1934 or incorporated by reference in any document so filed.

The Compensation Committee, composed entirely of independent directors, is responsible for reviewing the compensation of our executive officers, including the executive officers named in the Summary Compensation Table. The Stock Incentive Plan Committee is responsible for determining awards under the 1995 Stock Plan.

Compensation Philosophy. The Company's compensation program is designed to attract, reward and retain highly qualified executives and to encourage the achievement of business objectives and superior corporate performance. The program ensures the Board and Stockholders that (i) the achievement of the overall goals and objectives of the Company can be supported by adopting an appropriate executive compensation policy and implementing it through an effective total compensation program and (ii) the total compensation program and practices of the Company are designed with full consideration of all accounting, tax, securities law and other regulatory requirements and are of the highest quality.

The Company's executive compensation program consists of two key elements: (i) an annual compensation component composed of base salary and bonus and (ii) a long-term compensation component composed of equity-based awards pursuant to the 1995 Stock Plan.

Annual Compensation. The Compensation Committee generally targets annual salary and bonus levels to be competitive with other similarly sized entities in the casino entertainment industry. Base salaries are determined by evaluating the responsibilities associated with the position

being evaluated and the individual's overall level of experience. Annual salary adjustments are made by giving consideration to the Company's performance and the individual's contribution to that performance.

Table of Contents

Bonuses are based on the Compensation Committee's assessment of the Company's performance and an individual's contribution to that performance. Corporate performance is measured by various quantitative and qualitative factors. The primary quantitative factors that will be reviewed by the Compensation Committee include such performance measures as net income and return on average common stockholders equity, both as absolute measures and relative to previous years. Significant qualitative factors that will be evaluated by the Compensation Committee include the Company's performance in relation to industry performance, progress toward achievement of the Company's long-term business goals, the quality of the Company's earnings and the overall business and economic environment. The Compensation Committee believes that, in accordance with its exercise of sound business judgment, the determination of annual salary and bonus levels is inherently subjective and must include a review of all relevant information, with no predetermined weight given to any of the factors considered.

All of the Company's executive officers named in the Summary Compensation Table are currently under employment contracts. The annual salary for these individuals is set by the terms of their employment contracts and any increases in annual salary are determined in the discretion of the Compensation Committee. See *Executive Officer Compensation; Employment Agreements, Termination of Employment and Change-in-Control Arrangements*.

CEO Compensation. Prior to 2003, Mr. Trump was compensated pursuant to the terms of the Executive Agreement and the Castle Services Agreement. In connection with the TCH Notes Offering, Mr. Trump agreed to terminate the Castle Services Agreement and the Executive Agreement was amended. Under the Amended Executive Agreement, commencing as of January 1, 2003, Mr. Trump is paid an annual base salary of \$1.5 million per year, plus additional amounts if certain performance criteria are met. See *Employment Agreements, Termination of Employment and Change in Control Arrangements* above. Pursuant to the terms of the Amended Executive Agreement, Mr. Trump acts as Chairman, Chief Executive Officer and President of THCR and TAC.

Upon the consummation of the TCH Note Offering, Mr. Trump caused TCI-II to terminate the Castle Services Agreement under which TCI-II received the payments described as *All Other Compensation* in the Summary Compensation Table. The Company and Mr. Trump recently restructured his compensation arrangements. See *Executive Officer Compensation; Employment Agreements, Termination of Employment and Change-in-Control Arrangements*.

Long-Term Compensation. In order to align stockholder and executive officer interests, the long-term component of the Company's executive compensation program utilizes equity-based awards whose value is directly related to the value of the common stock. These equity-based awards will be granted by the Stock Incentive Plan Committee pursuant to the 1995 Stock Plan. Individuals to whom equity-based awards are to be granted and the amount of common stock related to equity-based awards will be determined solely at the discretion of the Stock Incentive Plan Committee. Because individual equity-based award levels will be based on a subjective evaluation of each individual's overall past and expected future contribution, no specific formula is used to determine such awards for any executive.

Tax Deductibility of Executive Compensation. Section 162(m) of the Code limits the tax deductibility of compensation in excess of \$1.0 million paid to certain members of senior management, unless the payments are made under a performance-based plan as defined in Section 162(m) of the Code. The 1995 Stock Plan is designed to allow for the grant of equity-based awards that are performance-based and therefore exempt from the application of Section 162(m) of the Code. While the Compensation Committee considers the deductibility of senior management compensation in making its decisions, it also believes it is important to maintain the flexibility to take actions it considers to be in the best interests of the Company and the stockholders, which may be based on considerations in addition to Section 162(m) of the Code.

COMPENSATION COMMITTEE:

Wallace B. Askins

Don M. Thomas

STOCK INCENTIVE PLAN COMMITTEE:

Donald J. Trump

Wallace B. Askins

Don M. Thomas

Peter M. Ryan

Table of Contents

Performance of Our Common Stock

The line graph and chart below compare the total cumulative return of our common stock to Standard & Poor's 500 Stock Index and the Dow Jones Entertainment & Leisure-Casinos Index. The graph and chart are based on an initial investment of \$100 on December 31, 1998 in each of the common stock and the foregoing indices and assumes the reinvestment of dividends.

	Cumulative Total Return					
	12/98	12/99	12/00	12/01	12/02	12/03
THCR	100.00	90.00	50.00	30.67	69.33	57.60
S&P 500	100.00	121.04	110.02	96.95	75.52	97.18
DOW JONES US CASINOS	100.00	153.94	168.31	185.47	204.11	315.64

Table of Contents

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Affiliated party transactions are governed the Delaware General Corporation Law, a settlement agreement pertaining to our acquisition of Trump Marina in 1996 and by the indentures under which the TAC Notes and the TCH Notes were issued. Generally, affiliated party transactions are required to be on terms as favorable as they would be with unaffiliated parties, and require the approval of a majority of our independent directors, Messrs. Wallace B. Askins, Don M. Thomas, Peter M. Ryan and Robert J. McGuire.

Described below are brief descriptions of transactions, or series of similar transactions, since the beginning of our last fiscal year, or any currently proposed transaction or similar transactions, to which we (or any of our subsidiaries) were or are to be a party, in which the amount exceeds \$60,000 and in which any of our directors, executive officers, security holders who beneficially own more than 5.0% of our voting securities, and any member of the immediate family of any of the foregoing persons, had, or will have, a direct or indirect material interest:

Trump Tower Lease. Pursuant to a lease, dated November 1, 1996, as amended, with Trump Tower Commercial, LLC (the Trump Tower Lease), we lease office space in Trump Tower located in New York, New York for general, executive and administrative purposes from Trump Tower Commercial, LLC, an entity owned by Donald J. Trump. The Trump Tower Lease expires on August 31, 2010. The annual rent, payable in equal monthly installments, during the three-year period from September 1, 2003 to August 31, 2006 is \$68,459. The annual rent during the last four-year period is \$72,262. According to the lease, we are also obligated to pay imposed property taxes and porters wage escalation increases. During the year ended December 31, 2003, we incurred and paid \$3,872 in property taxes and wage escalation increases.

Use of Trump's Facilities. Beginning in late 1997, the Trump Atlantic City Properties began to utilize certain facilities owned by Trump to entertain high-end customers. Management believes that the ability to utilize these facilities enhances THCR's revenues. During the fiscal year ended December 31, 2003, THCR incurred approximately \$0.2 million in customer and management costs associated with utilizing these facilities. In exchange for having Trump's personal airplane available to customers of the Trump Atlantic City Properties, THCR incurred pilot costs of approximately \$0.3 million for the fiscal year ended December 31, 2003.

Castle Services Agreement. Pursuant to the Castle Services Agreement, which was terminated in connection with the TCH Notes Offering, TCI-II agreed to provide Marina Associates consulting services on a non-exclusive basis, relating to marketing, advertising, promotion and other services regarding the business and operations of Marina Associates, in exchange for certain fees to be paid in those years in which EBITDA exceeds prescribed amounts, as discussed below. For purposes of calculating the fees pursuant to the Castle Services Agreement, EBITDA represents income from operations before depreciation, amortization, refinancing costs and the non-cash write-downs of CRDA investments.

Under the Castle Services Agreement, the Partnership was required to pay TCI-II an annual fee of \$1.5 million for each year in which EBITDA exceeded \$50 million. If EBITDA in any fiscal year did not exceed such amount, no annual fee was due. In addition to the annual fee, TCI-II was entitled to receive an incentive fee in an amount equal to 10% of EBITDA in excess of \$45 million for such fiscal year. Pursuant to the Castle Services Agreement, Mr. Trump earned approximately \$2.2 million and \$3.5 million, based on Marina Associates' EBITDA for the years ended December 31, 2001 and 2002, respectively. See Executive Officer Compensation; Employment Agreements, Termination of Employment and Change-in-Control Arrangements; Donald J. Trump.

Casino Services Agreement. Pursuant to a casino services agreement, dated January 1, 1998, as amended (the Casino Services Agreement), Trump Administration, an unincorporated division of Trump Taj Mahal Associates, provides each of our properties with managerial, financial, accounting,

Table of Contents

purchasing, legal and other services incidental to running a casino and hotel, (collectively, the Casino Services.) In return, the properties reimburse Trump Administration, on a ratable basis, all of the costs and expenses incurred by Trump Administration in providing the Casino Services, including all payroll and employee benefits and related costs associated with the employees utilized by Trump Administration, as well as all overhead and other expenses incurred in the ordinary course of providing such services. We believe that the Casino Services Agreement allows us to take advantage of economies of scale and realize substantial cost savings. The Casino Services Agreement expires on January 1, 2008, unless earlier terminated upon 90 days prior written notice.

Trademark License Agreement. Under the trademark license agreement, dated June 12, 1995, and the amendments thereto, between Mr. Trump, as licensor, and THCR, as licensee (the Trademark License Agreement), subject to certain restrictions, we have the exclusive world-wide right to use the Trump name and Mr. Trump's likeness in connection with gaming and related activities. Pursuant to the Trademark License Agreement, we are permitted to use the names Trump, Donald J. Trump and variations thereof, otherwise collectively referred to as the Trump Names, and related intellectual property rights, in connection with casino and gaming activities and related services and products. We, in turn, allow our subsidiaries to use the Trump Names under various parol licenses which do not create enforceable licenses. The Trademark License Agreement, however, does not restrict Mr. Trump's right to use or further license the Trump Names in connection with services and products other than casino services and related products. Under the Trademark License Agreement, THCR and Mr. Trump have agreed to indemnify each other against any damages, liability, costs, claims, fees, obligations or expenses, including reasonable attorney's fees and expenses incurred in defense of any action under the Trademark License Agreement, provided, however, that the obligation to indemnify and hold the other party harmless shall not include any losses arising out of gross negligence, bad faith or willful misconduct of the other party.

Purchase of THCR Holdings Senior Notes from Mr. Trump. The net proceeds of the TCH Notes Offering were used to acquire, redeem or repay certain of our subsidiaries' debt, including, \$96.9 million aggregate principal amount (including call premium) of THCR Holdings Senior Notes, \$1.7 million of which was held by Mr. Trump. THCR Holdings also acquired an additional \$15.0 million principal amount of THCR Holdings Senior Notes on the closing date of the TCH Notes Offering in a private transaction with Donald J. Trump. The purchase price for the \$16.7 million aggregate principal amount of THCR Holdings Senior Notes acquired from Mr. Trump consisted of the proceeds from the issuance of 1,500 shares of Series A Preferred Stock of THCR valued at \$15.0 million, plus a cash amount equal to \$1.7 million, plus the applicable redemption premium of 2.583% (approximately \$430,000) and accrued interest of approximately \$0.7 million on the entire \$16.7 million principal amount of THCR Holdings Senior Notes sold by Mr. Trump. The Series A Preferred Stock of THCR, upon stockholder approval obtained at the annual stockholders' meeting on June 12, 2003, were exchanged by Mr. Trump on July 11, 2003 for an aggregate of 7,894,737 shares of common stock of THCR.

TCH Second Priority Mortgage Notes. In connection with the TCH Notes Offering, Donald J. Trump, purchased, in a concurrent private offering, \$15.0 million aggregate principal amount of additional TCH Second Priority Mortgage Notes at the same purchase price at which the initial purchasers purchased the TCH Second Priority Mortgage Notes. A portion of the funds required by Mr. Trump to purchase such Second Priority Mortgage Notes was obtained through a loan with an affiliate of UBS Warburg LLC, one of the initial purchasers of the TCH Notes.

Riviera Holdings Corporation. On July 1, 2002, consistent with the Contribution Agreement, dated June 12, 1995, between Mr. Trump and THCR Holdings. Mr. Trump purchased, for his own account, 350,000 shares of common stock of Riviera, a Nevada corporation which, through its wholly-owned subsidiaries, owns and operates the Riviera Hotel & Casino located in Las Vegas, Nevada and Riviera Black Hawk Casino located in Black Hawk, Colorado. The source of the funds was Mr. Trump's personal resources. On July 10, 2002, Mr. Trump granted the Option to THCR Holdings.

Table of Contents

On December 26, 2002, Mr. Trump purchased an additional 8,000 shares of Riviera's common stock and granted the Additional Option.

On December 18, 2003, Mr. Trump and THCR Holdings amended the Option and the Additional Option to extend the expiration date of the options from December 31, 2003 through December 31, 2004.

THCR Holdings and THCR, by virtue of being the general partner of THCR Holdings, may be deemed to beneficially own the Riviera shares underlying the Option and the Additional Option. On July 10, 2002, Mr. Trump and THCR Holdings jointly filed a Schedule 13D with the SEC regarding Mr. Trump's initial purchase of the Riviera shares and the Option. On December 27, 2002, Mr. Trump, THCR Holdings and THCR jointly filed an amendment to the original Schedule 13D with the SEC regarding Mr. Trump's additional purchase of Riviera shares and the Additional Option. Also on December 27, 2002, Mr. Trump, THCR Holdings and THCR each filed a Form 3 with the SEC, therein reflecting their beneficial ownership of the Riviera shares.

Mr. Trump timely filed the required filings with the Colorado Gaming Commission regarding his acquisition of the Riviera shares. Also, Mr. Trump, THCR, THCR Holdings and certain executive officers of THCR timely filed the required filings with the Nevada Gaming Commission regarding the Riviera shares and options. As stated in his originally filed Schedule 13D and the amendment thereto, Mr. Trump acquired the Riviera shares for investment purposes only.

On April 5, 2004, Mr. Trump sold the 358,000 shares of Riviera common stock to an unaffiliated third party in a privately negotiated transaction. THCR Holdings waived its options to acquire the Riviera shares in connection with the sale of such shares by Mr. Trump. Upon Mr. Trump's sale of the Riviera shares, THCR and THCR Holdings ceased to be the beneficial owners of the Riviera shares.

Indemnification Agreements. In connection with our acquisition of the Trump Taj Mahal in 1996, Trump AC agreed to indemnify Messrs. Pickus and Burke, the former officers and directors of our subsidiaries, THCR Holding Corp. and THCR/LP (the "Taj Indemnified Parties"). In addition, THCR agreed, and agreed to cause THCR Holding Corp. and THCR/LP to agree, that until April 17, 2002, unless otherwise required by law, the certificates of incorporation and bylaws of THCR Holding Corp. and THCR/LP shall not be amended, repealed or modified to reduce or limit the rights of indemnity afforded to the former directors, officers and employees of THCR Holding Corp. and THCR/LP or the ability of THCR Holding Corp. or THCR/LP to indemnify such persons, nor to hinder, delay or make more difficult the exercise of such rights of indemnity or the ability to indemnify. In addition, Trump AC also agreed to purchase and maintain in effect, until April 17, 2002, directors' and officers' liability insurance policies covering the Taj Indemnified Parties.

Caroleyes It, Inc. Pursuant to an agreement, dated September 15, 2001, between Trump AC and Caroleyes It, Inc., Carol C. Brown, the President of Caroleyes, provides interior designing services (as an independent contractor) as directed by Trump AC as well as material selection and installment oversight services. Pursuant to the agreement, Ms. Brown received a one time fee of \$43,750 (as compensation for prior unpaid services) and is paid \$150,000 per year, payable in weekly installments, and reasonable and customary expenses incurred in connection with providing the services. Ms. Brown is the wife of Mark Brown, THCR's Chief Operating Officer.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

To our knowledge, based solely upon our review of Forms 3 and 4 and amendments thereto furnished to us pursuant to Rule 16a-3(e) of the Exchange Act during our most recent fiscal year and Form 5 and amendments thereto furnished to us with respect to our most recent fiscal year, no director, officer, beneficial owner of more than 10.0% of any class of our equity securities registered pursuant Section 12 of the Exchange

Edgar Filing: TRUMP HOTELS & CASINO RESORTS INC - Form DEF 14A

Act, or any other persons so required, failed to file on a timely basis, as disclosed in the above forms, reports required by Section 16(a) of the Exchange Act during the most recent fiscal year or prior fiscal years.

Table of Contents

As stated in the amendments to his Schedule 13D filed with the SEC with respect to our equity securities, Mr. Trump has stated that he may, from time to time, effect open market and privately negotiated purchases of equity and/or debt securities of THCR and/or its subsidiaries.

COSTS OF PROXY SOLICITATION

The entire cost of soliciting proxies from the stockholders will be borne by the Company. In addition to the use of the mails, proxies may be solicited by personal interview, telephone or telegram by directors, officers or regular employees of the Company, who will not receive additional compensation for such solicitation but may be reimbursed for reasonable out-of-pocket expenses incurred in connection therewith. The Company has retained MacKenzie Partners, Inc., a proxy soliciting firm, to assist in the solicitation of proxies and will pay such firm a fee, estimated not to exceed \$15,000 plus reimbursement of reasonable out-of-pocket expenses, which are not expected to exceed \$7,500. Arrangements may also be made with brokerage firms and other custodians, nominees and fiduciaries to forward proxy solicitation materials to the beneficial owners of shares of common stock held of record by such persons, in which case the Company will reimburse such brokerage firms, custodians, nominees and fiduciaries for reasonable out-of-pocket expenses incurred by them in connection therewith.

STOCKHOLDER PROPOSALS FOR 2005 ANNUAL MEETING

Any proposals of Stockholders of the Company intended to be included in the Company's Proxy Statement and form of proxy relating to the Company's 2004 Annual Meeting of Stockholders must be in writing and received by Robert M. Pickus, the Corporate Secretary of the Company, at the Company's executive office located at the Trump Taj Mahal Casino Resort, 1000 Boardwalk at Virginia Avenue, Atlantic City, New Jersey 08401 no later than March 15, 2005.

In the event that the 2005 Annual Meeting of Stockholders is scheduled for a date which is not within thirty (30) days before or after June 10, 2005, in order to be timely, a stockholder proposal must be received by the Company's Secretary no later than the earlier of: (i) the close of business on the tenth day following the date on which notice of the 2004 Annual Meeting is mailed or (ii) public disclosure of the scheduled date of the 2005 Annual Meeting is made.

Any stockholder interested in making a proposal is referred to Article II, Section 11 of the Company's Amended and Restated Bylaws as well as Section 14a-8 promulgated under Regulation 14A of the Exchange Act.

The Company will provide to any Stockholder of record and beneficial owners as of the Record Date, without charge, upon written request to the Company's Corporate Secretary at 1000 Boardwalk at Virginia Avenue, Atlantic City, New Jersey 08401, a copy of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2003. Exhibits to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2003 will be furnished upon request upon the payment of specified reasonable fees limited to the Company's reasonable expenses in furnishing such exhibits.

By Order of the Board of Directors,
Robert M. Pickus

Executive Vice President, Secretary

Table of Contents

TRUMP HOTELS & CASINO RESORTS, INC.

1000 Boardwalk at Virginia Avenue

Atlantic City, New Jersey 08401

PROXY FOR THE 2004 ANNUAL MEETING OF STOCKHOLDERS

To Be Held in the Xanadu Theater at the Trump Taj Mahal Casino Resort, 1000 Boardwalk at Virginia Avenue, Atlantic City, New Jersey 08401

At 11:00 a.m. on Thursday, June 10, 2004

The undersigned hereby appoints **Robert M. Pickus** and **Francis X. McCarthy, Jr.**, and each of them (the *Proxies*), with full power of substitution, as proxies of the undersigned to vote all shares of Common Stock, par value \$.01 per share, of **TRUMP HOTELS & CASINO RESORTS, INC.** (the *Company*), which the undersigned is entitled in any capacity to vote at the above-stated annual meeting, and at any and all adjournments or postponements thereof (the *Annual Meeting*), on the matters set forth on this proxy card (the *Proxy Card*), and, in their discretion, upon all matters incident to the conduct of the Annual Meeting and upon such other matters as may properly be brought before the Annual Meeting. This proxy revokes all prior proxies given by the undersigned.

All properly executed proxies will be voted as directed. If no instructions are indicated on a properly executed proxy, such proxy will be voted FOR the election of each director-nominee listed in Proposal 1 and FOR the approval of Proposal 2. All *ABSTAIN* votes will be counted in determining the existence of a quorum at the Annual Meeting.

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS OF TRUMP HOTELS & CASINO RESORTS, INC.

Receipt of the Notice of Meeting and the Proxy Statement, dated April 30, 2004, is hereby acknowledged.

PLEASE SIGN AND DATE WHERE INDICATED ON THE REVERSE SIDE OF THIS PROXY CARD AND

PROMPTLY MAIL THE PROXY CARD USING THE ENCLOSED ENVELOPE.

NO POSTAGE IS NECESSARY IF MAILED IN THE UNITED STATES.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR EACH OF THE PROPOSALS.

(Please complete in blue or black ink.)

PROPOSAL 1. ELECTION OF DIRECTORS.

Nominees: Donald J. Trump, Wallace B. Askins, Don M. Thomas, Peter M. Ryan and Robert J. McGuire

FOR all Nominees (except as marked to the contrary below) **WITHHOLDING AUTHORITY** as to all Nominees

Edgar Filing: TRUMP HOTELS & CASINO RESORTS INC - Form DEF 14A

INSTRUCTION: To withhold your authority to vote for any one or more specific nominee(s), print his (their) name(s) on the line below.

Authority withheld for: _____

Continued on the Reverse Side

Table of Contents

PROPOSAL 2. RATIFICATION OF AUDITORS.

To ratify the appointment of **ERNST & YOUNG LLP** as the independent public auditors of the Company for the 2004 fiscal year.

“ FOR “ AGAINST “ ABSTAIN

In their discretion, the Proxies are authorized to vote upon such other business as may properly come before the Annual Meeting. This proxy when properly executed will be voted in the manner directed herein by the undersigned stockholder.

Dated: _____, 2004

Title or Authority:

Signature:

Signature, if held jointly:

(Joint tenants should EACH sign. Please sign exactly as your name appears on this card. When signing as attorney, executor, administrator, trustee or guardian, partner or corporate officer, please give FULL title as such.)

YOUR VOTE IS IMPORTANT! PLEASE SIGN, DATE AND MAIL THIS PROXY CARD PROMPTLY USING THE ENCLOSED ENVELOPE.