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FILED
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APR - 2 2001

U.S. BANKRUPTCY COURT
CAMDEN, NJ
BY J.P., DEPUTY

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW JERSEY

In re:

GREATE BAY HOTEL AND CASINO, INC.,
a New Jersey Corporation, GB HOLDINGS,
INC., a Delaware Corporation, and GB
PROPERTY FUNDING CORP., a Delaware
Corporation,

Debtors.

Case No. 98-10001 (JW), et seq.
(Jointly Administered)

Chapter 11

Hearing Date: December 14, 2000
Hearing Time: 9:30 a.m.

**STIPULATION AND ORDER RESOLVING OBJECTIONS
OF THE UNITED STATES TRUSTEE AND THE DEBTORS
TO (1) ERNST & YOUNG LLP'S SIXTH AND FINAL
APPLICATION FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES; (2) E&Y CAPITAL
ADVISORS LLC'S FIRST AND FINAL APPLICATION FOR
ALLOWANCE OF COMPENSATION AND FOR
REIMBURSEMENT OF EXPENSES AND (3) TO THE
UNITED STATES TRUSTEES' MOTION FOR
RECONSIDERATION OF THE RETENTION OF E&Y
RESTRUCTURING LLC AND OBJECTIONS THERETO**

THIS STIPULATION ("Stipulation") is made as of December 14, 2000, between
ERNST & YOUNG LLP ("E&Y"), accountants and financial advisors to the Official
Committee of Unsecured Creditors, E&Y RESTRUCTURING LLC now known as E&Y

Capital Advisors LLC, ("EYR") proposed accountants and financial advisors to the Official Committee of Unsecured Creditors, **THE UNITED STATES TRUSTEE (the "Trustee")** and **GREATER BAY HOTEL AND CASINO, INC.**, the reorganized debtor ("**GBHC**" or the "**Debtor**").

RECITALS

WHEREAS, GBHC, GB Holdings, Inc. and GB Property Funding Corp. filed petitions for relief under chapter 11, title 11 of the United States Code, 11 U.S.C. §101-1330 (the "Bankruptcy Code") on January 5, 1998 (the "Petition Date") in the United States Bankruptcy Court for the District of New Jersey (the "Bankruptcy Court" or the "Court");

WHEREAS, the Office of the United States Trustee appointed an Official Committee of Unsecured Creditors (the "Committee") on January 11, 1998;

WHEREAS, by Order dated April 20, 1998, the Court authorized the employment of E&Y as accountants and financial consultants for the Committee;

WHEREAS, on October 1, 1999, EYR was created as a wholly owned subsidiary of E&Y;

WHEREAS, by Order dated April 24, 2000, the Court authorized the employment of EYR as restructuring and reorganization accountants and financial advisors *nunc pro tunc* to October 1, 1999 (the "EYR Retention Order");

WHEREAS, on or about August 1, 2000, in response to a motion for reconsideration filed by the Trustee (the "Reconsideration Motion"), the Court granted partial reconsideration of the EYR Retention Order, and set a hearing on the Trustee's continuing objection to EYR's retention, but did not vacate the EYR Retention Order;

WHEREAS, on November 15, 2000, the Debtor filed an objection (the "Debtor's Objection") joining in the Trustee's objection to the retention of EYR by the Committee and to the final applications of E&Y and EYR for compensation for services rendered and reimbursement for expenses incurred in connection with the representation of the Committee (the "Fee Applications"), which objection requested that the Court require E&Y and EYR to disgorge the total amounts that E&Y and EYR had previously received;

WHEREAS, on December 7, 2000, the Trustee filed an objection to the final applications of E&Y and EYR for compensation for services rendered and reimbursement for expenses incurred in connection with the representation of the Committee, which objection also requested that the Court require E&Y and EYR to disgorge (the "Trustee's Objection");

WHEREAS, E&Y, EYR, the Trustee and the Debtor have negotiated and resolved the various issues raised with respect to the EYR Retention Order, the Reconsideration Motion, the Debtor's Objection, the Trustee's Objection and the Fee Applications and desire to memorialize their agreement in the within Stipulation, to be approved by the Court;

NOW, THEREFORE, in consideration of their mutual promises and covenants set forth herein, and intending to be legally bound hereby upon the effective date hereof, the parties hereto represent, warrant, covenant and agree as follows:

1. The Reconsideration Motion, the Trustee's Objection and the Debtor's Objection are hereby resolved as set forth herein.
2. To the extent it remains operative, the EYR Retention Order is hereby vacated with prejudice.
3. EYR's Fee Application is hereby withdrawn with prejudice, and EYR is not entitled to any fees or expenses.

4. On the Effective Date (as defined below), E&Y's Fee Application shall be granted in the amount of \$175,000 (the "Cap Amount").

5. E&Y shall disgorge the amount \$213,606.40 and EYR shall disgorge the amount of \$3,407.00 (collectively, the "Disgorged Amount") to the Debtor, representing any and all interim payments, awards and previously invoiced amounts pursuant to the Court's June 12, 1998 Administrative Fee Order made by the Debtor in excess of the Cap Amount to E&Y and all sums received by EYR.

6. E&Y and/or EYR shall return to the Debtor the Disgorged Amount within ten (10) days of the entry of this Order by the Court.

7. The Debtor hereby releases and forever discharges (i) E&Y and its present and former partners, principals, employees, members, agents, attorneys, affiliates, insurers, successors and assigns and (ii) EYR and its present and former employees, members, agents, attorneys, affiliates, insurers, successors and assigns ((i) and (ii) collectively, the "E&Y Released Parties") of and from any and all claims, liabilities, demands, rights, obligations, damages, expenses, attorneys' fees and causes of action whatsoever from the beginning of the world to the date of this Stipulation, whether individual, class or derivative in nature, whether at law or in equity, whether based on federal, state or foreign law or right of action, foreseen or unforeseen, mature or unmatured, known or unknown, accrued or not accrued, which the Debtor has, had, or can, shall or may hereafter have against the E&Y Released Parties arising out of or relating to the captioned bankruptcy cases; except for claims that the Debtor may have against E&Y and/or EYR arising from a claim asserted by a third party against the Debtor alleging willful misconduct and/or gross negligence in connection with the chapter 11 cases. Nothing in this Paragraph shall be deemed to modify or otherwise affect the Order Confirming Modified Fifth Amended Joint

Plan of Reorganization Under Chapter 11 of the Bankruptcy Code Proposed by the Official Committee of Unsecured Creditors and High River dated August 11, 2000, the Modified Fifth Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code Proposed by the Official Committee of Unsecured Creditors and High River, including but not limited to the discharge and injunction and permanent injunction provisions.

8. E&Y, EYR and their respective present and former partners, principals, employees, members, agents, attorneys, hereby release and forever discharge Debtor and its present and former employees, members, agents, attorneys, affiliates, insurers, successors and assigns of and from any and all claims, liabilities, demands, rights, obligations, damages, expenses, attorneys' fees and causes of action whatsoever from the beginning of the world to the date of this Stipulation, whether individual, class or derivative in nature, whether at law or in equity, whether based on federal, state or foreign law or right of action, foreseen or unforeseen, mature or unmatured, known or unknown, accrued or not accrued, which E&Y and/or EYR has, had, or can, shall or may hereafter have against the Debtor arising out of or relating to the captioned bankruptcy cases; except for claims that the E & Y Released Parties may have against the Debtors arising from a claim asserted by a third party against E&Y and/or EYR alleging willful misconduct and/or gross negligence in connection with the chapter 11 cases. Nothing in this Paragraph shall be deemed to modify or otherwise affect the Order Confirming Modified Fifth Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code Proposed by the Official Committee of Unsecured Creditors and High River dated August 11, 2000, the Modified Fifth Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code Proposed by the Official Committee of Unsecured Creditors and High River, including but not limited to the discharge and injunction and permanent injunction provisions.

9. The Bankruptcy Court shall retain jurisdiction to interpret and enforce the terms of this Stipulation.

10. This Stipulation shall be construed and enforced in accordance with the laws of the State of New Jersey.

11. This Stipulation is binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

12. The parties agree that this Stipulation contains the full, complete and entire understanding and agreement between them with respect to the matters referred to herein. No other promises, representations, warranties, covenants or undertakings or other prior or contemporaneous agreements, oral or written, respecting such matters which are not specifically incorporated herein shall be deemed in any way to exist or to bind either of the parties hereto. Each of the parties acknowledges and affirms that it has not executed this Stipulation in reliance on any promises, representations, warranties, covenants or undertakings not contained in this Stipulation.

13. The parties enter into this Stipulation to settle the Reconsideration Motion, the UST's Objection and the Debtor's Objection and to avoid the uncertainty, expense and time-consuming process of further litigation. Nothing contained in this Stipulation is or shall be considered as an admission of liability or wrongdoing on behalf of any party.

14. The parties agree that this Stipulation cannot and shall not be modified orally by any party before or after the execution of the Stipulation. This Stipulation may not be amended, waived, altered, modified, changed, rescinded or terminated except by an instrument in writing and signed by all the parties.

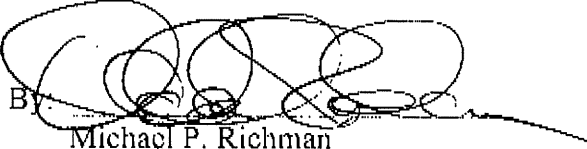
15. The Debtor and UST shall return to EYR's undersigned counsel all documents bearing the legend "*SUBJECT TO PROTECTIVE ORDER ENTERED IN CHAPTER 11 CASE NOS. 98-10001 THROUGH 98-10003*," and bearing bates-stamped numbers 000197 through 000292, which were produced by EYR in accordance with the terms of the "Order Granting Protective Order for E&Y Restructuring LLC," dated October 6, 2000.

16. This effective date of this Stipulation shall be when it has been "so ordered" by the Court and the entry of this Stipulation shall have the same meaning and effect as an order of this Court.

17. This Stipulation may be executed in one or more counterparts, each of which shall be deemed an original. It shall not be necessary in making proof of this Stipulation to produce or

account for more than one such counterpart.

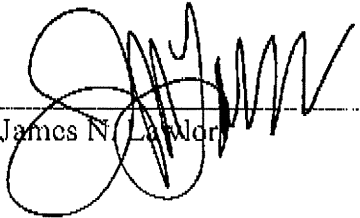
MAYER, BROWN & PLATT
Attorneys for Ernst & Young LLP and
E&Y Capital Advisors LLC

By: 
Michael P. Richman
David M. Hillman

PATRICIA A. STAIANO
UNITED STATES TRUSTEE

By: _____
Richard L. Schepacarter, Trial Attorney

GIBBONS, DEL DEO, DOLAN,
GRIFFINGER & VECCHIONE
A Professional Corporation
Attorneys for the Reorganized Debtors

By: 
James N. Lawlor


SO ORDERED, this 2 day of April, 2001:



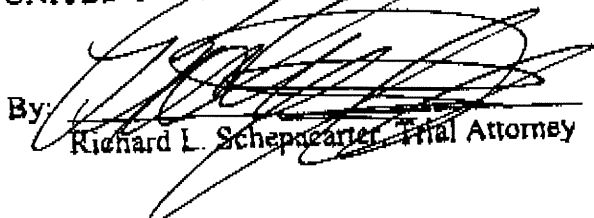
JUDITH H. WILMUR
UNITED STATES BANKRUPTCY JUDGE

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UNITED STATES TRUSTEE

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GIBBONS, DEL DEO, DOLAN,
GRIFFINGER & VECCHIONE
A Professional Corporation
Attorneys for the Reorganized Debtors

By: _____
James N. Lawlor

SO ORDERED, this ____ day of _____, 2001

JUDITH H. WIZMUR
UNITED STATES BANKRUPTCY JUDGE