

Edgar Filing: RIVIERA HOLDINGS CORP - Form 10-K/A

RIVIERA HOLDINGS CORP  
Form 10-K/A  
May 03, 2006

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-K/A  
(Amendment No. 2)  
FOR ANNUAL AND TRANSITION REPORTS  
PURSUANT TO SECTIONS 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT  
OF 1934 For the fiscal year ended December 31, 2005  
OR

TRANSITION REPORT PURSUANT TO SECTIONS 13 OR 15(D) OF THE SECURITIES  
EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 000-21430  
RIVIERA HOLDINGS CORPORATION  
(Exact name of registrant as specified in its charter)

Nevada  
(State or other jurisdiction of incorporation or organization)

88-0296885  
(I.R.S. Employer Identification No.)

2901 Las Vegas Boulevard South  
Las Vegas, Nevada \_\_\_\_\_ 89109  
-----  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (702) 734-5110  
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Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class -----	Name of Each Exchange on Which Registered -----
Common Stock, \$.001 par value	American Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, \$.001 par value  
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES \_\_\_\_\_ NO  X  
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Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. YES \_\_\_\_\_ NO  X  
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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES  X NO \_\_\_\_\_

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Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or amendment to this Form 10-K. [ ]

Large accelerated filer \_\_\_ Accelerated filer X Non-accelerated filer \_\_\_  
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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES \_\_\_ NO X  
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Based on the closing sale price of the registrant's common stock on the American Stock Exchange on June 30, 2005, the aggregate market value of the common stock held by non-affiliates of the registrant was approximately \$206,500,000.

As of May 2, 2006 the number of outstanding shares of the registrant's common stock was 12,451,755.

Documents incorporated by reference: None.

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Page 1 of 8 pages  
Exhibit Index Appears on Page 8 Hereof

EXPLANATORY NOTE

The purpose of this Form 10-K/A is to amend Part III, Item 12 to report an additional beneficial owner of more than 5% of our Common Stock, who was inadvertently omitted from the Form 10-K/A that we filed on May 1, 2006.

PART III

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Our Common Stock is listed on the American Stock Exchange ("Amex"). The following table contains information regarding the beneficial ownership of our Common Stock as of April 20, 2006, by (1) each of our directors and executive officers, (2) all of our directors and executive officers as a group and (3) each person who, to our knowledge, beneficially owns more than 5% of our outstanding Common Stock (based on reports filed with the Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934, as amended, or upon information furnished to us). The percentage of our outstanding Common Stock represented by each named person's stock ownership assumes the exercise by such person of all stock options that are exercisable within 60 days of April 20, 2006, but does not assume the exercise of stock options by any other persons. The percentage of our outstanding Common Stock represented by the stock ownership of all executive officers and directors as a group assumes the exercise by all members of that group of their respective stock options that are exercisable within 60 days of April 20, 2006, but does not assume the exercise of options by any persons outside of that group. Except as indicated in the footnotes to the table, each person listed below has sole voting and investment power with respect to the shares set forth opposite such person's name.

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Name	Shares Beneficially Owned	
	Number	Percentage
Directors and Executive Officers:		
William L. Westerman(1) (2) (16)	1,096,286	8.8%
Jeffrey A. Silver (1) (3)	45,000	*
Paul A. Harvey(1) (4)	24,000	*
Vincent L. DiVito(1) (5)	19,000	*
James N. Land, Jr. (1)	16,000	*
Robert A. Vannucci (1) (6)	390,607	3.1%
Ronald P. Johnson(1) (7)	372,613	3.0%
Duane R. Krohn (1) (8)	333,092	2.7%
Tullio J. Marchionne(1) (9)	60,271	*
All directors and executive officers as a group(10)	2,356,869	18.6%

Beneficial Owners of More Than 5% of Our Common Stock (other than Mr. Westerman):		
D.E. Shaw & Co., L.P. and related parties(11)	1,219,900	9.8%
Plainfield Special Situations Master Fund Limited and related parties(12)	1,056,800	8.5%
Galleon Management, L.L.C. and related parties(13)	830,000	6.7%

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Riviera Holdings Corporation Employee Stock Ownership Plan (ESOP) (14)	883,314	7.1%
Flag Luxury Properties, LLC, Paul Kanavos and related parties (collectively, the "Flag Parties") (15) (16)	200,000	1.6%
Brett Torino and related parties (collectively, the "Torino Parties") (15) (16)	200,000	1.6%
Barry Sternlicht and related parties (collectively, the "Sternlicht/Starwood Parties") (15) (16)	423,200	3.4%
High Desert Gaming, LLC, Neil Bluhm, Greg Carlin and related parties (collectively, the "High Desert/Bluhm/Carlin Parties") (15) (16)	375,300	3.0%
	-----	-----
Total	1,198,500	9.6%
Triple Five Investco LLC and Syd Ghermezian(17)	1,184,050	9.5%

o Less than 1%.

- (1) The address for each director and executive officer is c/o Riviera Holdings Corporation, 2901 Las Vegas Boulevard South, Las Vegas, Nevada 89109.
- (2) Includes 4,566 shares held through our ESOP.
- (3) Includes 24,000 shares which may be acquired within 60 days of April 20, 2006 upon the exercise of outstanding options.
- (4) Includes 18,000 shares which may be acquired within 60 days of April 20, 2006 upon the exercise of outstanding options.
- (5) Includes 12,000 shares which may be acquired within 60 days of April 20, 2006 upon the exercise of outstanding options.
- (6) Includes 120,000 shares which may be acquired within 60 days of April

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- 20, 2006 upon the exercise of outstanding options, 3,776 shares under our Deferred Compensation Plan and 5,302 shares held through our ESOP.
- (7) Includes 30,000 shares which may be acquired within 60 days of April 20, 2006 upon the exercise of outstanding options, 82,470 shares under our Deferred Compensation Plan and 5,302 shares held through the ESOP.
- (8) Includes 5,559 shares under our Deferred Compensation Plan and 5,302 shares held through the ESOP. Mr. Krohn retired on May 2, 2006, at which time 24,000 shares of restricted Common Stock that are included in his stock ownership listing were canceled.
- (9) Includes 36,000 shares which may be acquired within 60 days of April 20, 2006 upon the exercise of outstanding options and 2,971 shares held through the ESOP.
- (10) Includes a total of 240,000 shares which may be acquired by directors and executive officers as a group within 60 days of April 20, 2006 upon the exercise of outstanding options, 91,805 shares under our Deferred Compensation Plan and 23,442 shares held through the ESOP. Upon Mr. Krohn's retirement on May 2, 2006, 24,000 of his shares that are included in this listing were canceled.
- (11) D.E. Shaw & Co., L.P. ("DESCO LP") acts as investment adviser to D. E. Shaw Laminar Portfolios, L.L.C. ("Laminar") and D.E. Shaw Valence Portfolios, L.L.C. ("Valence"). DESCO LP is also the managing member of Valence and D. E. Shaw Investment Management, L.L.C. ("DESIM LLC"). D.E. Shaw & Co., L.L.C. ("DESCO LLC") acts as managing member to

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- Laminar. D. E. Shaw & Co., Inc. ("DESCO Inc.") is the general partner of DESCO LP. D. E. Shaw & Co. II, Inc. ("DESCO II, Inc.") is the managing member of DESCO LLC. David E. Shaw is the president and sole shareholder of DESCO Inc. and DESCO II, Inc. The stock ownership reported in the table is comprised of 1,194,500 shares held in the name of Laminar; 25,200 shares held in the name of Valence; and 200 shares under the management of DESIM LLC. The address of all of the persons named above in this footnote is 120 West 45th Street, Floor 39, Tower 45, New York, New York 10036. This information is based on information reported by Laminar, Valence, DESCO LLC, DESCO LP and Mr. Shaw in a Schedule 13D filed with the SEC on April 11, 2006.
- (12) Plainfield Asset Management LLC ("Asset Management") is the Manager of Plainfield Special Situations Master Fund Limited ("Master Fund"), which holds 1,056,800 shares. Max Holmes ("Holmes") is the chief investment officer of Asset Management. Each of Holmes and Asset Management may therefore be deemed a beneficial owner of the shares held by Master Fund. The address of Master Fund, Asset Management and Holmes is 55 Railroad Avenue, Greenwich, CT 06830. This information is based on information reported by Master Fund, Asset Management and Holmes in a Schedule 13G filed with the SEC on March 15, 2006.
- (13) Pursuant to the partnership agreement of Galleon Captains Partners, L.P., Galleon Healthcare Partners, L.P., Galleon Technology Partners II, L.P., Galleon Explorers Partners, L.P., and Galleon Communication Partners, L.P., Galleon Management, L.P. and Galleon Advisors, L.L.C. share all investment and voting power with respect to securities held by Galleon Captains Partners, L.P., Galleon Healthcare Partners, L.P., Galleon Technology Partners, L.P., Galleon Explorers Partners, L.P., and Galleon Communication Partners, L.P., and pursuant to an investment management agreement, Galleon Management, L.P. has all investment and voting power with respect to the securities held by Galleon Captains Offshore, Ltd., Galleon Healthcare Offshore, Ltd., Galleon Technology Offshore, Ltd., Galleon Communications Offshore, Ltd., Galleon Explorers Offshore, Ltd., Galleon Admirals Offshore, Ltd. and Galleon Buccaneers Offshore, Ltd. Raj Rajaratnam, as the managing member of Galleon Management, L.L.C., controls Galleon Management, L.L.C., which,

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as the general partner of Galleon Management, L.P., controls Galleon Management, L.P. Raj Rajaratnam, as the managing member of Galleon Advisors, L.L.C., also controls Galleon Advisors, L.L.C. The shares reported herein by Raj Rajaratnam, Galleon Management, L.P., Galleon Management, L.L.C., and Galleon Advisors, L.L.C. may be deemed beneficially owned as a result of the purchase of such shares by Galleon Captains Partners, L.P., Galleon Captains Offshore, Ltd., Galleon Technology Partners II, L.P., Galleon Technology Offshore, Ltd., Galleon Healthcare Partners, L.P., Galleon Healthcare Offshore, Ltd., Galleon Explorers Partners, L.P., Galleon Explorers Offshore, Ltd., Galleon Communication Partners, L.P., Galleon Communication Offshore, Ltd., Galleon Admirals Offshore, Ltd. and Galleon Buccaneers Offshore, Ltd., as the case may be. Each of Raj Rajaratnam, Galleon Management, L.P., Galleon Management, L.L.C., and Galleon Advisors, L.L.C. disclaims beneficial ownership of the shares reported in the table, except to the extent of any pecuniary interest therein. The address of each of the persons named above, other than Galleon Management, L.P., is c/o Galleon Management, L.P., 135 East 57th Street, 16th Floor, New York, New York 10022. The address of Galleon Management, L.P. is 135 East 57th Street, 16th Floor, New York, New York 10022. This information is based on information reported by the above parties in Amendment No. 1 to Schedule 13G filed with the SEC on February 15, 2006.

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- (14) The trustee of the ESOP (the "Trustee") and its address are Marshall & Ilsley Trust Company N.A., 1000 North Water Street, Suite 1200, Milwaukee, Wisconsin 53202. All of the shares held by the ESOP are voted on each proposal in proportion to the voting instructions received by the Trustee from all ESOP participants who submit voting instructions. For example, if (1) the ESOP holds 1,000 shares of our Common Stock, (2) the Trustee receives voting instructions from participants on whose behalf the ESOP holds only 500 shares, and (3) those participants, in the aggregate, instruct the Trustee to vote 300 shares in favor of a proposal and 200 shares against it, then 600 shares held by the ESOP will be voted for the proposal and 400 shares will be voted against it. Our Common Stock held by the ESOP on behalf of our executive officers is reported in the ESOP's Common Stock ownership listing as well as in the Common Stock ownership listings for the respective executive officers and for executive officers and directors as a group.
- (15) The following is based on information reported in a Schedule 13D and amendments thereto filed with the SEC, through April 6, 2006, jointly by the Flag Parties, the Torino Parties, the Sternlicht/Starwood Parties and the High Desert/Bluhm/Carlin Parties (collectively, the "Joint Filing Parties"):
- The Flag Parties consist of Flag Luxury Riv, LLC; Flag Luxury Properties, LLC; MJX Flag Associates, LLC; Flag Leisure Group, LLC; Sillerman Real Estate Ventures, LLC; Robert Sillerman; and Paul Kanavos. Each of the Flag Parties is deemed a beneficial owner of 200,000 shares. The address of the Flag Parties is 650 Madison Ave., New York, NY 10022.
- The Torino Parties consist of RH1, LLC; ONIROT Living Trust dated 6/20/2000; and Brett Torino. Each of the Torino Parties is deemed a beneficial owner of 300,000 shares. The address of the Torino Parties is 4455 Wagon Trail Ave., Las Vegas NV 89118.
- The Sternlicht/Starwood Parties consist of Rivacq LLC; SOF U.S. Hotel Co-Invest Holdings, L.L.C.; SOF-VII U.S. Hotel Holdings, L.L.C.; I-1/I-2 U.S. Holdings, L.L.C.; Starwood Global Opportunity Fund VII-A, L.P.; Starwood Global Opportunity Fund VII-B, L.P.; Starwood U.S.

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Opportunity Fund VII-D, L.P.; Starwood U.S. Opportunity VII-D-2, L.P.; Starwood Capital Hospitality Fund I-1, L.P.; Starwood Capital Hospitality Fund I-2, L.P.; SCF-VII Management, L.L.C.; SCG Hotel Management, L.L.C.; Starwood Capital Group Global, LLC; and Barry Sternlicht. Each of the Sternlicht/Starwood Parties is deemed a beneficial owner of 300,000 shares, except Barry Sternlicht who beneficially owns 423,200 shares. The address of the Sternlicht/Starwood Parties, except Rivacq LLC, is 591 W. Putnam Ave., Greenwich, CT 06830. The address of Rivacq LLC is One World Financial Center, New York, NY 10281.

The High Desert/Bluhm/Carlin Parties consist of High Desert Gaming, LLC; LAMB Partners; LAMB, LLC; ISLE Investors, LLC ("ISLE"); Greg Carlin; and Neil Bluhm. Each of the High Desert/Bluhm/Carlin Parties, except ISLE and Greg Carlin, is deemed a beneficial owner of 300,000 shares. ISLE beneficially owns 75,300 shares and Greg Carlin beneficially owns 375,300 shares. The address of the High Desert/Bluhm/Carlin Parties, except LAMB, LLC, is 900 North Michigan Ave., Suite 1900, Chicago, IL 60611. The address of LAMB, LLC is 0223 Placer Lane, Aspen, CO 81612, P.O. Box 2147.

- (16) Pursuant to a Stock Purchase Agreement, dated as of December 22, 2005 (the "Westerman Agreement"), upon the issuance of the requisite approvals by Nevada gaming authorities, certain members of the Joint Filing Parties will have (i) the right or obligation to purchase substantially all of Mr. Westerman's shares of Common Stock and (ii) a proxy to vote or direct the voting of Mr. Westerman's shares of Common Stock in favor of an acquisition of the Company by members of the Joint Filing Parties (an "Acquisition Transaction"). Mr. Westerman is also obligated to vote his shares of Common Stock in favor of an Acquisition Transaction. Those shares are reported as beneficially owned by Mr. Westerman, not by the Joint Filing Parties. This information is based on the Westerman Agreement, as contained in an exhibit in a Schedule 13D filed with the SEC by William L. Westerman on December 27, 2005 and in a Schedule 13D filed with the SEC by the Joint Filing Parties on December 28, 2005.

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- (17) Triple Five Investco LLC is the record owner of 1,138,600 shares of Common Stock and Dominion Financial LLC is the record owner of 45,450 shares of Common Stock. Syd Ghermezian is the sole manager of these entities, in which capacity he has voting and investment power over the shares held by these entities; therefore, he is reported as a beneficial owner of the 1,184,050 shares of Common Stock held of record by the two entities. The address of Triple Five Investco LLC, Dominion Financial LLC and Syd Ghermezian is 9440 West Sahara, Suite 240, Las Vegas, NV 89117. This information is based on information reported by the above parties in a Schedule 13G filed with the SEC on May 1, 2006.

### PART IV

#### Item 15. Exhibits and Financial Statement Schedules

##### (a) (1) List of Financial Statements

The following is the list of Registered Public Accounting Firm Reports and the Consolidated Financial Statements of the Company:

- Report of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting.
- Report of Independent Registered Public Accounting Firm on the Consolidated Financial Statements.
- Consolidated Balance Sheets as of December 31, 2005 and 2004.

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- Consolidated Statements of Operations for the Years Ended December 31, 2005, 2004 and 2003.
- Consolidated Statements of Stockholders' Equity (Deficiency) for the Years Ended December 31, 2005, 2004 and 2003.
- Consolidated Statements of Cash Flows for the Years Ended December 31, 2005, 2004 and 2003.
- Notes to Consolidated Financial Statements.

(a) (2) List of Financial Statement Schedules

No financial statement schedules have been filed herewith since they are either not required, are not applicable, or the required information is shown in the consolidated financial statements or related notes.

(a) (3) List of Exhibits

The exhibits included in this Form 10-K/A are listed in the Exhibit Index herein, which is incorporated by reference, and are in addition to the exhibits in the Company's Form 10-K filed on March 15, 2006 and Form 10-K/A filed on May 1, 2006 (collectively, the "Prior Filings").

(b) The exhibits required by Item 601 of Regulation S-K are included as exhibits to this Form 10-K/A. Such exhibits are in addition to those included in the Prior Filings.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

RIVIERA HOLDINGS CORPORATION

By: /s/ WILLIAM L. WESTERMAN

-----  
William L. Westerman  
Chief Executive Officer, President  
and interim Treasurer  
(Principal Executive Officer)

May 3, 2006

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ WILLIAM L. WESTERMAN ----- William L. Westerman	Chairman of the Board, Chief Executive Officer, President and interim Treasurer (Principal Executive Officer and Principal	May 3, 2006

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	Financial and Accounting Officer)	
/s/ JEFFREY A. SILVER ----- Jeffrey A. Silver	Director	May 3, 2006
/s/ PAUL A. HARVEY ----- Paul A. Harvey	Director	May 3, 2006
/s/ VINCENT L. DIVITO ----- Vincent L. DiVito	Director	May 3, 2006
/s/ JAMES N. LAND, JR. ----- James N. Land, Jr.	Director	May 3, 2006

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EXHIBIT INDEX

The exhibits listed below and included herein are in addition to the exhibits listed and included in the Prior Filings.

Exhibit Number -----	Description -----
31.1	Certification of the Principal Executive Officer and Principal Financial Officer of the Registrant pursuant to Exchange Act Rule 13a-14(a)
32.1	Certification of the Principal Executive Officer and Principal Financial Officer of the Registrant pursuant to Exchange Act Rule 13a-14(b) and 18 U.S.C. 1350

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