

CAESARS ENTERTAINMENT INC
 Form 4
 June 15, 2005

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
CROWN A STEVEN

2. Issuer Name and Ticker or Trading Symbol
CAESARS ENTERTAINMENT INC [CZR]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 222 NORTH LASALLE, SUITE 1000
 (Street)
 CHICAGO, IL 60601
 (City) (State) (Zip)

3. Date of Earliest Transaction (Month/Day/Year)
 06/13/2005
 4. If Amendment, Date Original Filed(Month/Day/Year)

Director 10% Owner
 Officer (give title below) Other (specify below)
 6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	Amount			
Common Stock	06/13/2005		D			5,000	D	0	
Common Stock	06/13/2005		D			1,002,272	D	0	A & I Crown Memorial (2)
Common Stock	06/13/2005		D			1,935,340	D	0	Areljay LP (2)
Common Stock	06/13/2005		D			600,000	D	0	Pines Trailer LP

Common Stock	06/13/2005	D	23,988	D	<u>(1)</u>	0	I	<u>(2)</u> The Crown Fund <u>(2)</u>
Common Stock	06/13/2005	D	5,000	D	<u>(1)</u>	0	I	by Wife <u>(2)</u>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Non-Qualified Stock Option (right to buy)	\$ 6.28	06/13/2005		D	2,000	<u>(3)</u> 12/31/2008	Common Stock	2,000	
Non-Qualified Stock Option (right to buy)	\$ 10.6816	06/13/2005		D	2,000	<u>(4)</u> 07/16/2007	Common Stock	2,000	
Non-Qualified Stock Option (right to buy)	\$ 11.1875	06/13/2005		D	50,000	<u>(5)</u> 01/13/2010	Common Stock	50,000	
Non-Qualified Stock Option (right to buy)	\$ 11.7498	06/13/2005		D	2,000	<u>(6)</u> 05/07/2008	Common Stock	2,000	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CROWN A STEVEN 222 NORTH LASALLE SUITE 1000	X			

CHICAGO, IL 60601

Signatures

A. STEVEN
CROWN

06/13/2005

__Signature of
Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Pursuant to the Agreement and Plan of Merger, dated as of July 14, 2004 (the "Merger Agreement"), by and among Caesars, Harrah's Entertainment Inc. ("Harrah's") and Harrah's Operating Company, Inc., at the effective time of the merger contemplated therein, each outstanding share of Caesars common stock was converted into the right to receive either 0.3247 shares of Harrah's common stock or

- (1) \$17.75 in cash, at each stockholder's election and subject to proration as described in the Merger Agreement. As a result of the proration calculations that have not yet been completed as of the date of this filing, it is not possible to determine the exact amount of merger consideration to be received by the reporting person for each share of Caesars common stock disposed of in the merger. Harrah's will issue a press release announcing the final merger consideration when it is determined.

Mr. Crown's holdings include 5,000 shares beneficially owned by Mr. Crown's wife; 1,935,340 shares owned indirectly through Areljay, L.P., a partnership, a partner of which is the corporation of which Mr. Crown is a director, officer, and shareholder, and a second partner of which is a trust of which Mr. Crown is a beneficiary; 1,002,272 shares owned indirectly through the Arie and Ida Crown Memorial, a

- (2) not-for-profit corporation of which Mr. Crown is a director and officer; 239,888 shares owned indirectly through the Crown Fund, a partnership of which Mr. Crown is a partner; and 600,000 shares owned indirectly through Pines Trailer Limited Partnership, a partnership, a partner of which is a corporation of which Mr. Crown is a director, officer, and shareholder, and a second partner of which is a partnership in which Mr. Crown is a partner.

- (3) This option, granted and exercisable December 31, 1998, was assumed by Harrah's in the merger and replaced with an option to purchase 649 shares of HET common stock for \$19.35 per share.
- (4) This option, granted and exercisable July 16, 1997, was assumed by Harrah's in the merger and replaced with an option to purchase 649 shares of HET common stock for \$32.90 per share.
- (5) This option, which provided for vesting in five equal installments beginning January 13, 2000, was assumed by Harrah's in the merger and replaced with an option to purchase 16,235 shares of HET common stock for \$34.46 per share.
- (6) This option, granted and exercisable May 7, 1998, was assumed by Harrah's in the merger and replaced with an option to purchase 649 shares of HET common stock for \$36.19 per share.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.