HARRAHS ENTERTAINMENT INC

Form 4 January 30, 2008

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

OMB 3235-0287 Number:

burden hours per

response...

5. Relationship of Reporting Person(s) to

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Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

January 31, Expires: 2005 Estimated average

0.5

OMB APPROVAL

Form 4 or Form 5 obligations may continue. See Instruction

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

2. Issuer Name and Ticker or Trading

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *

01/28/2008

01/28/2008

Stock

Stock

Common

	LOVEMAN	GARY W	reison_	Symbol	HS EN		ERTAINME			uer (Check	all applicable	
(Last) (First) (Middle) C/O HARRAH'S ENTERTAINMENT, INC., ONE CAESARS PALACE DRIVE			3. Date of Earliest Transaction (Month/Day/Year) 01/28/2008					X Director 10% Owner X Officer (give title Other (specify below)				
	LAS VEGAS	(Street) S, NV 89119		4. If Amen Filed(Mont			e Original		Ap	Individual or Join plicable Line) _ Form filed by On _ Form filed by Mos son	e Reporting Pe	rson
	(City)	(State)	(Zip)	Table	I - Non-	De	rivative Secur	ities A	Acquire	ed, Disposed of, o	or Beneficial	ly Owned
	1.Title of Security (Instr. 3)	2. Transaction Da (Month/Day/Year	e) Execution any	emed ion Date, if /Day/Year)	3. Transac Code (Instr. 8	3)	4. Securities A oper Disposed of (Instr. 3, 4 and Amount	f(D)	ed (A)	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)
	Common Stock	01/28/2008			D	•	24,271 <u>(1)</u>	D	\$ 90 (1)	0	D	
	Common Stock	01/28/2008			D		25,152 (1)	D	\$ 90 (1)	0	I	By GRAT
	Common	01/28/2008			D		4 500 (1)	D	\$ 90	0	Ţ	As Custodian

D

D

4,500 (1)

 $4,830^{(1)}$

D

Custodian

By 401(k)

(3)

Common Stock	01/28/2008	D	111,111	D	<u>(15)</u>	0	D
Non-Voting Common Stock	01/28/2008	A	67,153.82	A	(16)	67,153.82	D
Non-Voting Preferred Stock	01/28/2008	A	32,846.08	A	<u>(16)</u>	32,846.08	D
Non-Voting Common Stock	01/28/2008	A	33,576.94	A	\$ 100	100,730.76	D
Non-Voting Preferred Stock	01/28/2008	A	16,423.06	A	\$ 100	49,269.14	D

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

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

1. Title Deriva Securit (Instr.	tive ty	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transactic Code (Instr. 8)	5. Number or Derivative Acquired (Acquired (Acquired (Instr. 3, 4,	Securities A) or f (D)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Underlying (Instr. 3 and
					Code V	(A)	(D)	Date Exercisable	Expiration Date	Title
	Option to buy)	\$ 28.8125	01/28/2008		D		350,000	(2)(5)	11/15/2010	Commo Stock
	Option to buy)	\$ 25.625	01/28/2008		D		136,600	(2)(6)	01/02/2011	Common Stock
	Option to buy)	\$ 47.025	01/28/2008		D		85,000	(2)(7)	06/20/2009	Commo: Stock
	Option to buy)	\$ 46.135	01/28/2008		D		341,389	(2)(8)	09/05/2009	Common Stock
	Option to buy)	\$ 43.495	01/28/2008		D		130,000	(2)(9)	06/18/2010	Common Stock
	Option to buy)	\$ 52.585	01/28/2008		D		250,000	(2)(10)	06/16/2011	Common Stock

Stock Option (right to buy)	\$ 73.95	01/28/2008	D	376,947	(2)(11)	06/17/2012	Common Stock
Stock Option (right to buy)	\$ 73.95	01/28/2008	D	623,053	<u>(11)</u>	06/17/2012	Common Stock
Stock Option (right to buy)	\$ 25	01/28/2008	A	133,333	(13)	06/27/2012	Non-Voti Common Stock
Stock Appreciation Right	\$ 64.97	01/28/2008	D	350,000	(4)(12)	07/19/2013	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships						
	Director	10% Owner	Officer	Other			
LOVEMAN GARY W C/O HARRAH'S ENTERTAINMENT, INC. ONE CAESARS PALACE DRIVE LAS VEGAS NV 89119	X		Chairman, President and CEO				

Signatures

Gary W. Loveman by Angela P. Winter, Attorney-in-Fact

**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).

01/28/2008

- Disposed of pursuant to the merger agreement (the "Merger Agreement") among the Issuer, Hamlet Holdings LLC, ("Parent") and (1) Hamlet Merger Inc. a wholly-owned subsidiary of Parent (the "Merger"), which provides for the cancellation of shares of Common Stock of the Issuer in exchange for \$90.00 per share (the "Merger Consideration").
- (2) The vested and unvested options were cancelled pursuant to the Merger Agreement in exchange for cash consideration equal to the Merger Consideration less the exercise price per share.
 - 1,500 shares held by Gary W. Loveman as custodian for Jeremy W. Welsh-Loveman under UTMA; 2,000 shares held by Gary W.
- (3) Loveman as custodian for Monica K. Welsh-Loveman under UTMA; and 1,000 shares held by Gary W. Loveman as custodian for Kristine A. Welsh-Loveman under UTMA.
- (4) The vested and unvested stock appreciation rights were cancelled pursuant to the Merger Agreement in exchange for cash consideration equal to the Merger Consideration less the exercise price per share.
- (5) The options were exercisable in four equal installments on 1/1/03, 1/1/04, 1/1/05 and 1/1/06.
- The options were exercisable in four installments on 1/1/03, 1/1/04, 1/1/05 and 1/1/06 in the following amounts: 24,100, 37,500, 37,500 and 37,500 respectively.
- (7) The options were exercisable in three equal installments on 1/1/03, 1/1/04 and 1/1/05.
- (8) The options were exercisable in three installments on 1/1/06, 1/1/07 and 1/1/08 in the following amounts: 85,347, 85,347 and 170,695 respectively.
- (9) The options were exercisable in three equal installments on 1/1/04, 1/1/05 and 1/1/06.

Reporting Owners 3

- (10) The options were exercisable in three equal installments on 1/1/05, 1/1/06 and 1/1/07.
- (11) The options were exercisable in five equal installments on 1/1/06, 1/1/07, 1/1/08, 1/1/09 and 1/1/10.
- (12) The stock appreciation rights were exercisable in five equal installments on 6/30/07, 6/30/08, 6/30/09, 6/30/10 and 6/30/11.
- (13) Immediate
- (14) This option was replaced with an option to purchase 133,333 shares of non-voting common stock for \$25 per share.
- (15) Exchanged in connection with the Merger for 67,153.82 shares of non-voting common stock and 32,846.08 shares of non-voting preferred stock of surviving corporation, each having a market value of \$100 per share.
- (16) 67,153.82 shares of non-voting common stock and 32,846.08 shares of non-voting preferred stock acquired through exchange described in footnote 15.

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.