HARRAH'S ENTERTAINMENT, INC.

CORPORATE GOVERNANCE GUIDELINES

(Revised as of April 25, 2006)

I. COMPOSITION OF THE BOARD.

A. Size of the Board.

The Company's Certificate of Incorporation provides that the number of directors will be fixed from time to time by the Board, but in no event will be less than 3 nor more than 17 members. The Board of Directors shall be divided into three classes, designated Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of directors constituting the entire Board of Directors, with each director elected for a three-year term. If the number of directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, and any additional director of any class elected to fill a vacancy resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class, but in no case will a decrease in the number of directors shorten the term of any incumbent director.

B. Board Membership Criteria.

The Nominating/Corporate Governance Committee is responsible for identifying criteria for Board membership. Such criteria shall ensure that directors are chosen based on perspective, experience, knowledge, and independence of judgment, enabling them to contribute most effectively to the functioning of the Board and the meeting of its responsibilities. Each nominee or candidate must also possess fundamental qualities of intelligence, honesty, good judgment, high ethics and standards of integrity, fairness and responsibility. Directors will be selected without regard to race, religion, sex, or national origin. Age shall be a consideration in selecting new directors so as to maintain a sound age balance on the Board and so that turnover through retirement at reasonable intervals can be expected. There should be a predominance of business backgrounds, balanced by qualified individuals who can bring additional sets of experiences and perspectives to the Board. Regional balance is desirable, and a high degree of interest and involvement are prime requisites.

C. Limitation on Other Board Service.

Directors who also serve as executive officers of other companies should not serve on more than two boards of public companies in addition to the Company's Board and other directors should not serve on more than six other boards of public companies in addition to the Company's Board. Further, directors serving on the Company's audit committee should not serve on more than four other public company audit committees in addition to the Company's audit committee. Without the express approval of the Board, no member of the Company's management may serve on the board of a non-affiliated for-profit corporation, and in any case, no member of management director may serve on more than two boards of non-affiliated for-profit corporations.

D. Proportion and Determination of Independent Directors.

Directors considered to be independent pursuant to the rules of the New York Stock Exchange and our categorical standards for independence shall comprise a substantial majority of the Company's Board, provided that the Board shall not be prevented from taking valid actions if there are fewer than the intended proportion of independent directors due to a vacancy or vacancies on the Board. In addition, the Board shall include the Chairman of the Board (if a member of the Company's management) and the Chief Executive Officer, and may include any other senior executive of the Company, excluding the General Counsel.

E. Selection of Directors.

The Board and, by delegation of the Board, the Nominating/Corporate Governance Committee should be responsible for selecting members of the Board and in recommending them for election by the stockholders, with direct input from the Chairman of the Board and the Chief Executive Officer.

Because the Board is responsible for (a) determining the qualification of an individual to serve on the Audit Committee as an "audit committee financial expert" as required under rules promulgated by the Securities and Exchange Commission and (b) whether a board member is independent pursuant to the rules of the New York Stock Exchange and our categorical standards for independence, the Nominating/Corporate Governance Committee shall coordinate with the Board in evaluating any new candidate and determining whether to re-nominate any existing director who may serve in this capacity.

The Board itself, through its Chief Executive Officer together with either the Chairman of the Board or the Chairman of the Nominating/Corporate Governance Committee, should be responsible for extending candidates invitations to join the Board or stand for re-election, as applicable.

F. Leadership of the Board.

The Board may determine whether the roles of the Chief Executive Officer and Chairman of the Board should be separate or combined, and if separate, whether the Chairman should be a member of management or an independent director. It is the responsibility of the Chairman to facilitate constructive interaction between the Board and management. He should be fully aware of the business operations and financial condition of the Company and the concerns and recommendations of both the directors and management. He should provide an opportunity for full and open participation by each director at Board meetings. Consensus among directors will ordinarily not be sought except at such meetings. The Chairman will recommend a schedule of meetings each year. He will provide a written agenda in advance of Board and Executive Committee meetings, together with full information on major proposals. Members of the Board will have full access to the Chairman for purposes of recommending agenda items for the full Board or its Committees. In the absence of the Chairman, the Chief Executive Officer, or in his absence or there being none, any director appointed by the Board, will serve as Acting Chairman.

G. Retirement; Change in Position.

Director(s) who reach 70 years of age will retire from the Board by, at the option of such director(s), either (1) retiring effective the date of the annual stockholders meeting next following the attainment of age 70 by such director(s) or (2) not standing for re-election at the next annual stockholders meeting at which the class of such director(s) stands for re-election. However, when it is anticipated that two or more directors may leave the Board within a 12-month period, the Board may request one or more of the retiring directors to serve up to an additional 12 months in order to smooth the rotation of Board membership. Any director who ceases to be actively employed, who changes employment, or who experiences a substantial reduction in responsibility level with an employer, will be expected at that time to submit a resignation as a director for consideration by the Board.

H. No Pre-Determined Term Limits.

In lieu of pre-determined term limits, the Nominating/Corporate Governance Committee will evaluate each director's continued services on the Board when considering whether to re-nominate such director and at such other times as may be appropriate in particular circumstances. In evaluating whether to re-nominate a director, the director should be given an opportunity to confirm his or her desire to continue as a member of the Board.

II. RESPONSIBILITIES OF THE BOARD.

The Board of Directors is the representative of the stockholders with a fiduciary obligation to see that the affairs of the Company are conducted in a manner intended to perpetuate a successful business and optimize long-term financial returns in a manner consistent with applicable law and the highest ethical standards. Board members will be expected to become familiar with the condition and operations of the Company and its public disclosures and to review in advance of meetings all materials distributed to the Board. The duties of the Board, including through its various committees, include:

A. Selection, Evaluation and Retention of Chief Executive Officer and Oversight of Selection and Performance of Other Executive Officers.

The Board, including through its various committees, selects, evaluates the performance of and makes decisions about the retention of the Chief Executive Officer, oversees the selection and evaluation of the performance of other executive officers, plans for management succession and monitors the effectiveness and execution of management's strategies and decisions.

B. Oversight of the Company's Strategic Plans and Annual Operating Plans and Budgets.

The Board oversees and is responsible for understanding the Company's strategic plans and monitors the implementation and effectiveness of such plans. The Board also oversees and is responsible for understanding the Company's annual operating plans and annual budgets and monitoring whether they are being implemented effectively.

C. Selection and Oversight of Independent Auditors; Oversight of Financial Statements.

The Audit Committee has sole responsibility to appoint, compensate and replace the Company's independent auditors and to pre-approve the engagement terms and provision of any audit and non-audit services performed by its independent auditors. The Board, through its Audit Committee, will monitor the performance of its independent auditors and guard against any compromise of its independence and oversee the financial statements prepared by management, striving to assure that they fairly present the Company's financial condition, results of operations, cash flows and related risks in a clear and understandable way.

D. Advising Management on Significant Issues.

The Board should utilize the broad range of experiences and perspectives of its directors to advise and counsel management on significant issues confronting the Company.

E. Review and Approval of Significant Company Actions and Certain Other Matters.

In accordance with Delaware law, the Board must review and approve significant actions by the Company, including the election of executive officers, the declaration of dividends and any major transactions. In addition, policies of the Company and requirements of the New York Stock Exchange of the Securities and Exchange Commission may require approval of certain Company actions.

F. Nominating Directors and Committee Members and Overseeing Effective Corporate Governance.

The Board, through its Nominating/Corporate Governance Committee, evaluates and nominates directors and members of Board committees and oversees the structure and practices of the Board and its committees and other corporate governance matters.

G. Consideration of Other Constituencies.

The Board should also consider the impact of the Company's actions on the Company's customers, employees, suppliers and communities.

H. Operating with the Highest Ethical Standards.

The Board shall ensure that management shall operate the Company's business with the highest ethical standards and in conformity with all applicable laws and regulations.

III. RESPONSIBILITIES OF MANAGEMENT

Management is responsible for operating the Company to produce value for the Company's stockholders, consistent with the Company's policies and standards, all applicable laws and the highest ethical standards.

A. Financial Statements and Disclosures.

Management shall produce financial statements that fairly present the Company's financial condition, results of operations, cash flows and related risks in a clear and understandable way, subject to the oversight of the Board and the Audit Committee. Management shall make timely and complete disclosures to stockholders and keep the Board and its committees well-informed on a timely basis as to all matters of significance to the Company.

B. Strategic Planning.

The Chief Executive Officer and senior management are responsible for developing and presenting the to the Board the Company's strategic plans and for implementing those plans as approved by the Board.

C. Annual Operating Plans and Budgets.

The Chief Executive Officer and senior management are responsible for developing and presenting to the Board the Company's annual operating plans and annual budgets and for implementing those plans and budgets as approved by the Board.

D. Effective Management and Organizational Structure.

The Chief Executive Officer and senior management are responsible for selecting qualified members of management and for implementing and working within an effective organizational structure appropriate for the Company's particular circumstances.

E. Setting a Strong Ethical Example.

Senior management, and especially the Chief Executive Officer, shall serve as an example of the integrity, ethics and compliance with legal requirements and the Company's policies and procedures expected of those associated with the Company

F. Internal Controls and Procedures.

Senior management shall develop, implement and monitor an effective system of internal controls and procedures to provide reasonable assurance that the Company is in compliance with all gaming and other applicable laws, its transactions are properly authorized, recorded and reported, and its assets are safeguarded against unauthorized or improper use. The Company's internal controls over financial reporting shall be designed to permit preparation of financial statements for the Company in conformity with generally accepted accounting principles and all other criteria applicable to such financial statements.

G. Disclosure Controls and Procedures.

Senior management shall establish, maintain and evaluate the Company's disclosure controls and procedures, which shall be designed to ensure that the information required to be disclosed by the Company in the reports it files with the Securities and Exchange Commission is (i) recorded, process, summarized and reported within the required time periods and (ii) accumulated and communicated to management to allow timely decisions regarding required disclosure.

IV. BOARD RELATIONSHIP TO MANAGEMENT

A. Regular Attendance of Executive Officers at Board Meetings.

Unless a member of the Board requests otherwise, the Company's executive officers are welcome to attend meetings of the Board or its committees.

B. Board Access to Senior Management.

The Board and each of its members shall have complete and unfettered access to all members of the Company's management and any other employee of the Company.

C. Board's Interaction with Institutional Investors and Press.

Management is generally responsible for communicating and interacting with institutional investors, press and customers. Each director shall refer all inquiries from institutional investors or the press to management.

V. MEETINGS

A. Frequency; Location.

The Board shall meet at least four times a year. Special meetings of the Board may be called with every effort to provide as much advance notice as possible. Board meetings will normally be scheduled in Las Vegas, but at least one meeting per year will generally be scheduled elsewhere.

B. Agenda.

Management will suggest agenda items to the Chairman of the Board and the Chief Executive Officer, who will establish the agenda for each Board meeting. Each member of the Board may suggest agenda items.

C. Distribution of Materials.

Management is responsible for producing information and materials to the Board, which is necessary for the Board to understand the Company's business or with respect to matters to be considered or acted upon by the Board. Management should strive to deliver such information and materials sufficiently in advance of any meeting of the Board to allow the members reasonable time for review and evaluation. If management is not able to deliver such information and materials in advance, reasonable steps should be taken to allow the directors to become reasonably informed as to the matter before voting on it.

D. Executive Sessions.

Non-management members of the Board shall meet separately in regularly scheduled executive sessions, without the presence of management directors or executive officers of the Company. The Board shall designate a non-management director to preside at the executive sessions. In addition, an executive session of only independent, non-management directors shall occur at least once per year.

VI. BOARD COMMITTEES.

The committees of the Board will be the Executive Committee, the Audit Committee, the Human Resources Committee, and the Nominating/Corporate Governance Committee.

A. Audit Committee, Human Resources Committee, Nominating/Corporate Governance Committee.

The Audit Committee, the Human Resources Committee, and the Nominating/Corporate Governance Committee shall have at least three members meeting such independence requirements as may be imposed under New York Stock Exchange listing standards in effect from time to time. Additionally, Audit Committee members must satisfy the independence requirements of Rule 10A-3 promulgated under the Securities Exchange Act of 1934 and must be financially literate, as determined by the Board in its business judgment. The duties of these committees are set forth in their respective charters, which are attached as Exhibits A through C to these Corporate Governance Guidelines.

B. Other Committees.

From time to time, the Board may establish additional committees by resolution, clearly defining the responsibilities of any such committee. The Board customarily has established one standing committee, the Executive Committee, which holds meetings as required. The Executive Committee consists of the Chairman of the Board and the Chief Executive Officer and at least three (3) additional directors appointed by the Board. While it is preferable that action on major matters be taken by the Board itself, the role of the Executive Committee is to act on behalf of the Board on matters requiring action between Board meetings. Certain limits have been established on the authority conferred on the Executive Committee. Action taken by the Executive Committee is to be reported to the Board of Directors at the first meeting of the Board following such action. Without specific delegated authority from the Board, the Executive Committee will not declare dividends (except current quarterly dividends not in excess of those last declared by the Board) or increase or decrease the number of directors or appoint new directors. Unless within an overall plan previously approved by the Board, any actions taken by the Executive Committee to purchase, sell, pledge, encumber or otherwise acquire or dispose of assets with a value totaling over $75,000,000 in one or more related transactions, or to incur or guarantee indebtedness totaling over $75,000,000 in one or more related transactions, is subject to revision or rescission by the Board at the first meeting of the Board following such action.

C. Delegation to Management Committees.

The Board may also delegate certain of its authority within well-defined limits to committees or internal boards consisting of management personnel, some of whom may not be management directors. These committees or internal boards may derive delegated authority to review results of operations, approve capital appropriations within pre-determined limits set by the Board, incur indebtedness on behalf of the Company, establish operating policies, elect group and division officers and review proposals for recommendation to the Board.

D. Assignment and Rotation of Committee Members

The Nominating/Corporate Governance Committee is responsible for assignment of committee members, in consultation with the Chairman and Chief Executive Officer and after considering the desire of individual Board members. It is contemplated but not required that each member of the Audit Committee, Human Resources Committee and Nominating/Corporate Governance Committee will serve for five years, with no more than two new members of a committee being appointed at one time, and the chairmen of such committees will serve for three years to ensure rotation periodically.

E. Frequency and Length of Committee Meetings

Each committee will meet at such times and for such periods as may be determined in accordance with its charter, or if there is no charter, as determined by the chairman of the committee.

F. Agenda, Background Materials and Reports

Management will suggest agenda items to the chairman of each committee, who will develop the committee's agenda. Management is responsible for producing information and materials to each committee which is necessary for the committee to understand the matters within the scope of the committee's authority or otherwise to be considered or acted upon by the committee. Management should strive to deliver such information and materials sufficiently in advance of any committee meeting to allow the members of the committee reasonable time for review and evaluation. Agendas for committee meetings should also be distributed to members of the Board not serving on the committee. The chairman of each committee, or his or her delegate, shall report on matters considered and acted upon by the committee to the full Board at its next meeting.

VII. BOARD COMPENSATION AND EVALUATION OF PERFORMANCE.

A. Board Compensation.

Management directors shall not receive additional compensation for their service as directors. The compensation of non-management directors shall be determined in relation to comparable companies and with the intent of attracting and retaining highly qualified individuals meeting the membership criteria identified by the Nominating/Corporate Governance Committee. Board compensation will be reviewed at least every three years by the Human Resources Committee, which will recommend to the Board any changes deemed advisable. A meaningful portion of each director's compensation shall be based on the long-term value of the Company's common stock. Directors will be reimbursed for travel expenses in connection with attending meetings.

B. Stock Ownership.

Within two years of first being elected, a director is expected to own and maintain Company stock with a minimum value equal to two times their annual retainer, including shares granted pursuant to any Company stock plan for Board service.

C. Evaluation of Performance.

The Nominating/Corporate Governance Committee shall conduct an annual evaluation of the performance of the Board as a whole, including the areas in which the Board and/or management believes a better contribution could be made, and report the results thereof to the Board.

VIII. MISCELLANEOUS.

A. Indemnification.

To the extent permitted by law, each director and corporate officer is entitled to indemnification under Article Tenth of the Company's Certificate of Incorporation. In addition, the Company shall enter an indemnification agreement with each director and executive officer and provide each with coverage under an insurance policy covering directors' and officers' liability.

B. Resources.

The Board and its committees may consult with the Company's internal and independent auditors, its counsel, and any other consultants or advisors to the Company. In addition, the Board and its committees may hire independent accounting experts, counsel or other consultants or advisors to assist and advise the Board or its committees in connection with their respective responsibilities. The Board or its committees, as applicable, shall advise the Company of expenses incurred in connection with the foregoing.

C. Conflicts of Interest

If an actual or potential conflict of interest develops, the director shall report the matter to the Chairman of the Board. Any significant conflict should be resolved or the director shall resign. If a director has a personal interest in a matter before the Board, the director will disclose the interest and excuse himself or herself from the discussion and not vote on the matter.

D. Reliance.

Each director may rely in good faith on corporate records, corporate officers, corporate employees, board committees, or any other person selected with reasonable care as to matters reasonably believed to be within the person's professional or expert competence. The Board shall assess the qualifications of all such persons on whom it relies, inquire as to the processes used by such persons to reach their decisions, prepare their reports and make their recommendations and as to the substance of such matters, and shall hold such persons accountable for any follow-up reasonably needed to satisfy the Board.

E. Director Attendance.

A director is expected to regularly prepare for and attend meetings of the Board and all committees on which the director sits (including separate meetings of non-management directors and independent directors), with the understanding that, on occasion, a director may be unable to attend a meeting. A director who is unable to attend a meeting is expected to notify the Chairman of the Board or the Chairman of the appropriate committee in advance of such meeting, and, wherever possible, participate in such meeting via teleconference.

F. Director Orientation and Continuing Education.

Board members will be expected to become familiar with the condition and operations of the Company and to remain informed regarding the policies and procedures of the Company governing the duties of its directors. At a minimum, each new director shall be given a copy of the Company's organizational documents and these Corporate Governance Guidelines, and all directors who are not executive officers of the Company shall be provided background material with respect to the Company, its operations, and issues of particular significance to the Company and shall meet with members of the Company's senior management, including its Chief Financial Officer and General Counsel. The Nominating/Corporate Governance Committee may establish additional orientation procedures and/or guidelines for continuing education of members of the Board.

E. Changes in Board Policy.

Changes to this policy may be made only by the Board upon the recommendation of the Nominating/Corporate Governance Committee.

F. Code of Business Conduct and Ethics.

The Company will maintain a code of business conduct and ethics, which may be modified by the Board from time to time. The current code is attached to these Corporate Governance Guidelines as Exhibit D.

G. Disclosure of These Guidelines.

These Corporate Governance Guidelines, along with the committee charters and the Code of Business Conduct and Ethics attached hereto, shall be posted on the Company's website and copies will be made available to all stockholders requesting it, and such availability will be set forth in the Company's annual report to stockholders.

Exhibit A

Audit Committee Charter

Composition

The Audit Committee shall be composed of at least three Directors. Each member of the Audit Committee shall be (i) independent under both Section 303A of the NYSE Listed Company Manual and Rule 10A-3 promulgated under the Securities Exchange Act of 1934, as amended, and (ii) financially literate as determined by the full Board of Directors. At least one member of the Audit Committee must be a person the Board has determined has accounting or related financial management expertise and meets the definition of an “audit committee financial expert” under Item 401(h) of Regulation S-K promulgated under the Securities Act of 1933, as amended. Furthermore, the Audit Committee may not include a Director if a member of Harrah’s management sits on the Compensation Committee or similar committee of the Director’s company.

Purpose

1. To assist the Company’s Board in the oversight of (1) the integrity of the Company's financial statements, (2) the Company's compliance with legal and regulatory requirements, (3) the independent auditor's qualifications and independence, and (4) the performance of the Company's internal audit function and independent auditors; and

2. To prepare an audit committee report as required by the SEC to be included in the Company's annual proxy statement.

Duties and Responsibilities

1. The Audit Committee, in its capacity as a committee of the Board of Directors, must be directly responsible for the appointment, compensation, retention and oversight of the work of any registered public accounting firm engaged (including resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the listed issuer, and each such registered public accounting firm must report directly to the Audit Committee.

2. The Audit Committee must establish procedures for (i) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

3. The Audit Committee shall have the authority to engage independent counsel and other advisers, as it determines necessary to carry out its duties.

4. The Company shall provide for appropriate funding, as determined by the Audit Committee, in its capacity as a committee of the Board of Directors, for payment of (i) compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the listed issuer; (ii) compensation to any advisers employed by the Audit Committee under the immediately

foregoing paragraph 3 of this section; and (iii) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

5. In addition to the foregoing, the Audit Committee shall:

    (A) at least annually, obtain and review a report by the Company's independent auditor describing: the independent auditor firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and (to assess the auditor's independence) all relationships between the independent auditor and the Company;
    (B) discuss the Company's annual audited financial statements and quarterly financial statements with management and the independent auditor, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations";
    (C) discuss the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies;
    (D) discuss policies with respect to risk assessment and risk management;
    (E) meet separately, periodically, with management, with internal auditors (or other personnel responsible for the internal audit function) and with independent auditors;
    (F) review with the independent auditor any audit problems or difficulties and management's response;
    (G) set clear hiring policies for employees or former employees of the independent auditors; and
    (H) report regularly to the Board of Directors.

<u>Internal Audit Function</u>

The Company shall have an internal audit function. The Audit Committee shall, as related to the internal auditors: (i) approve the overall scope of the internal audit program; (ii) review the internal auditors' annual and interim reports to the Audit Committee; (iii) review internal controls; and (iv) meet periodically with the internal auditor without management present.

<u>Annual Review</u>

The Audit Committee shall evaluate its own performance on an annual basis, including its compliance with this Charter, and provide any written material with respect to such evaluation to the Board, including any recommendations for changes in the procedures or policies governing the Audit Committee. The Audit Committee shall conduct such evaluation and review in such manner as it deems appropriate.

<u>Limitation of Duties</u>

The Audit Committee's responsibility is oversight. Management of the Company has the responsibility for the Company's financial statements as well as the Company's financial reporting process, principles and internal controls. The independent public accountants are responsible for performing an audit of the Company's annual financial statements, expressing an opinion as to the conformity of such annual financial statements with generally accepted accounting principles, reviewing the Company's quarterly financial statements and other procedures. It is recognized that it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements fairly present the Company's financial position and results of operation and are in accordance with generally accepted accounting principles and applicable laws and regulations. Each member of the Audit Committee shall be entitled to rely on (i) the integrity of those persons within the Company and of the professionals and experts (such as the independent public accountants) from which it receives information, (ii) the accuracy of the financial and other information provided to the Audit Committee by such persons, professionals or experts absent actual knowledge to the contrary and (iii) representations made by management or the external auditor as to any information technology services of the type described in Rule 2-01(c)(4)(ii) of Regulation S-X and other non-audit services provided by the Company's independent public accountants. In carrying out its responsibilities, the Audit Committee believes its policies and procedures should remain flexible to best react to a changing environment.

Exhibit B

Human Resources Committee Charter

I. Purpose

The purpose of the Human Resources Committee (the "Committee") of the Board is (1) to discharge the Board's responsibilities relating to compensation of the Company's executives, including by designing (in consultation with management or the Board), recommending to the Board for approval, and evaluating the compensation plans, policies and programs of the Company and (2) to produce an annual report on executive compensation for inclusion in the Company's proxy materials in accordance with applicable rules and regulations. The Committee shall ensure that compensation programs are designed to encourage high performance, promote accountability and assure that employee interests are aligned with the interests of the Company's stockholders.

In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the Company's bylaws. The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without requirement of Board approval, and any decision made by the Committee (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be at the Committee's sole discretion. While acting within the scope of the powers and responsibilities delegated to it, the Committee shall have and may exercise all the powers and authority of the Board. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it.

II. Membership

The Committee shall be comprised of at least three directors as determined by the Board, none of whom shall be an employee of the Company and each of whom shall (1) satisfy the independence requirements of the New York Stock Exchange, (2) be a "non-employee director" within the meaning of Rule 16b-3 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and (3) be an "outside director" under the regulations promulgated under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code").

The members of the Committee, including the Chair of the Committee, shall be appointed by the Board on the recommendation of the Nominating/Corporate Governance Committee. Committee members may be removed from the Committee, with or without cause, by the Board.

III. Meetings and Procedures

The Chair (or in his or her absence, a member designated by the Chair) shall preside at each meeting of the Committee and set the agendas for Committee meetings.

The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws that are applicable to the Committee.

The Committee shall meet on a regularly scheduled basis at least four times per year and more frequently as the Committee deems necessary or desirable.

All non-management directors that are not members of the Committee may attend and observe meetings of the Committee, but shall not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event shall not be entitled to vote. The Committee may, at its discretion, include in its meetings members of the Company's management, representatives of the independent auditor, the internal auditor, any other financial personnel employed or retained by the Company or any other persons whose presence the Committee believes to be necessary or appropriate. Notwithstanding the foregoing, the Committee may also exclude from its meetings any persons it deems appropriate.

The Committee shall have the sole authority, as it deems appropriate, to retain and/or replace, as needed, any independent counsel, compensation and benefits consultants and other outside experts or advisors that the Committee believes to be necessary or appropriate. The Committee may also utilize the services of the Company's regular legal counsel or other advisors to the Company. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any such persons retained by the Committee.

The Chair shall report to the Board following meetings of the Committee and as otherwise requested by the Chairman of the Board.

IV. Duties and Responsibilities

1. The Committee shall, at least annually, review and, if necessary, revise the compensation philosophy of the Company, including performing the following:

- Assess whether the components of executive compensation support the Company's culture and business goals;
- Consider the impact of executive compensation programs on stockholders;
- Consider the potential for media attention;
- Consider issues and approve policies regarding qualifying compensation for executives for tax deductibility purposes;
- Approve the appropriate balance of fixed and variable compensation; and
- Approve the appropriate role of performance based and retention based compensation.

2. The Committee shall, at least annually, review and approve corporate goals and objectives relating to the compensation of the Chief Executive Officer, evaluate the performance

of the Chief Executive Officer in light of these goals and objectives and establish the compensation of the Chief Executive Officer based on such evaluation.

3. The Committee shall set compensation practices for all executives, including an analysis relative to competition.

4. The Committee shall approve the most appropriate set of companies against which to compare compensation levels and practices and shall approve targeted competitive pay structures.

4. The Committee shall manage and review stock options, employee pensions, benefit plans, compensation plans, incentive programs, performance-based equity compensation plans and bonus awards under incentive programs (including the Senior Executive Incentive Plan, the Annual Management Bonus Plan, the Time Accelerated Restricted Stock Plan and the Executive Stock Purchase Plan) (each, a "Plan"), and with respect to each Plan shall have responsibility for:

- general administration;

- monitoring the usage of shares under stock plans and authorize additional shares if needed, subject to the approval of stockholders if necessary or appropriate;

- setting performance targets as appropriate and committing to writing any and all performance targets for all executives and management directors within the first 90 days of the performance period to which such target relates or, if shorter, within the period provided by Section 162(m) of the Code in order for such target to be "pre-established" within the meaning of Section 162(m);

- approving all amendments to, and terminations of, all compensation plans and any awards under such plans;

- granting any awards under any performance-based equity compensation plans to management directors, executives and current employees with the potential to become the CEO or an executive, including stock options and other equity rights (*e.g.,* restricted stock, stock purchase rights); and

- granting any bonus awards under the Company's incentive programs to certain key executives and management directors.

5. The Committee shall establish and periodically review policies concerning perquisite benefits.

6. The Committee shall periodically review fees and benefits of non-management directors and make recommendations, as required, to the Board, such review to take place at least every three years.

8. The Committee shall determine the Company's policy with respect to the Code, including the application of Section 162(m) of the Code.

9. The Committee shall determine the Company's policy with respect to change of control or "parachute" payments.

10. The Committee shall elect corporate officers (other than the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer and the Chief Financial Officer) and nominate, for election by the Board, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer and members of Board-appointed committees.

11. The Committee shall review periodically with the Chairman of the Board and the Chief Executive Officer the succession plans relating to positions held by elected corporate officers, and make recommendations to the Board with respect to the selection of individuals to occupy those positions.

12. The Committee shall produce the Report of the Human Resources Committee to be included as part of the Company's annual proxy statement.

13. The Committee shall evaluate its own performance on an annual basis, including its compliance with this Charter, and provide any written material with respect to such evaluation to the Board, including any recommendations for changes in procedures or policies governing the Committee. The Committee shall conduct such evaluation and review in such manner as it deems appropriate.

14. The Committee shall review and reassess this Charter at least annually and submit any recommended changes to the Board for its consideration.

V. Delegation of Duties

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee or to specified executives of the Company, except that it shall not delegate its responsibilities for any matters where it has determined such compensation is intended to comply with (a) the exemptions under Section 16(b) of the Exchange Act, or (b) Section 162(m) of the Code.

Exhibit C

Nominating/Corporate Governance Committee Charter

I. Purpose

The purpose of the Nominating/Corporate Governance Committee (the "Committee") of the Board is to assist the Board with its responsibilities regarding:

- the identification of individuals qualified to become Board members;
- the selection, or recommendation that the Board select, the director nominees for the next annual meeting of stockholders;
- the selection, or recommendation that the Board select, director candidates to fill any vacancies on the Board; and
- the development and recommendation to the Board of a set of corporate governance guidelines and principles applicable to the Company (the "Corporate Governance Guidelines").

In so doing, the Committee will endeavor to maintain free and open means of communication between the members of the Committee, other members of the Board, and management of the Company.

In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the Company's bylaws. The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without requirement of Board approval, and any decision made by the Committee (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be at the Committee's sole discretion. While acting within the scope of the powers and responsibilities delegated to it, the Committee shall have and may exercise all the powers and authority of the Board. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it.

II. Membership

The Committee shall be comprised of at least three directors as determined by the Board, each of whom (1) shall satisfy the independence requirements of the New York Stock Exchange, and (2) in the business judgment of the Board, has experience that would be valuable to providing broad direction to the Board on matters related to corporate governance.

The members of the Committee, including the Chair of the Committee, shall be appointed by the Board. Committee members may be removed from the Committee, with or without cause, by the Board.

III. Meetings and Procedures

The Chair (or in his or her absence, a member designated by the Chair) shall preside at each meeting of the Committee and set the agendas for Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws that are applicable to the Committee.

The Committee shall meet on a regularly scheduled basis at least two times per year and more frequently as the Committee deems necessary or desirable.

All non-management directors that are not members of the Committee may attend and observe meetings of the Committee, but shall not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event shall not be entitled to vote. The Committee may, at its discretion, include in its meetings members of the Company's management, representatives of the independent auditor, the internal auditor, any other financial personnel employed or retained by the Company or any other persons whose presence the Committee believes to be necessary or appropriate. Notwithstanding the foregoing, the Committee may also exclude from its meetings any persons it deems appropriate.

The Committee shall have the sole authority, as it deems appropriate, to retain and/or replace, as needed, any independent counsel and other outside experts or advisors that the Committee believes to be necessary or appropriate. The Committee may also utilize the services of the Company's regular legal counsel or other advisors to the Company. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any such persons retained by the Committee. The Committee shall have sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve such search firm's fees and other retention terms.

The Chair shall report to the Board following meetings of the Committee and as otherwise requested by the Chairman of the Board.

IV. Duties and Responsibilities

1. The Committee shall, at least annually, assist in the recruiting of directors, including evaluation of executives recruited or promoted to positions eligible for Board membership.

2. The Committee shall recommend to the Board (as soon as is reasonably practicable after a vacancy arises or a director advises the Board of his or her intention to resign) new directors for election annually by the stockholders and otherwise by appointment by the Board to fill vacancies, in compliance with the selection criteria outlined below; *provided, however*, that if the Company is legally required by contract or otherwise to provide third parties with the ability to nominate directors (for example,

preferred stock rights to elect directors upon a dividend default, stockholder agreements, and management agreements), then the selection and nomination of such directors need not be subject to this process.

Nominees to the Board proposed by stockholders in compliance with the procedures in the Company's bylaws regarding nominations by stockholders, and who meet criteria and guidelines for Board membership set forth in the Corporate Governance Guidelines and this Charter, will receive the same consideration as nominees of the Committee.

The Committee may consider the following criteria in recommending candidates for election to the Board:

- experience in corporate governance, such as an officer or former officer of a publicly held company;
- experience in the Company's industry;
- experience as a board member of another publicly held company; and
- academic expertise in an area of the Company's operations.

Each individual nominated to a Board committee will satisfy the following qualifications:

- members of the chartered committees must meet the independence requirements of the New York Stock Exchange and those set forth in the Corporate Governance Guidelines, except as provided in Article II above;
- an employee director may serve as a member of the Executive Committee;
- members of the Audit Committee satisfy the selection criteria specified in the Audit Committee Charter;
- members of the Human Resources Committee must satisfy the other selection criteria specified in the Human Resources Committee Charter; and
- members of the Nominating/Corporate Governance Committee must, in the business judgment of the Committee and the entire Board, have experience that would be valuable in providing broad direction to the Board on matters related to corporate governance.

3. The Committee shall, at least annually, review the performance of individual directors and evaluate the nomination for re-election of current directors.

4. The Committee shall evaluate and recommend termination of individual directors (in accordance with the Company's certificate of incorporation, bylaws,

Corporate Governance Guidelines, this Charter and the Charters of the Company's other committees), for cause or other appropriate reasons.

5. The Committee shall recommend to the Board the membership composition of the Board committees, including the size of the Board and Board committees.

6. The Committee shall determine the authority of the Committee and the other Board committees to form and delegate authority to subcommittees.

7. The Committee shall assist the Board, by providing written criteria for, the Board's annual review of its performance (including its composition and organization), and make appropriate recommendations for improving performance.

8. The Committee shall manage and review executive officer and director indemnification and insurance matters.

9. The Committee shall make recommendations to the Board regarding matters, including, but not limited to, the Company's certificate of incorporation, bylaws, this Charter and the charters of the Company's other committees.

10. The Committee shall develop and recommend to the Board the Corporate Governance Guidelines.

11. The Committee shall evaluate its own performance on an annual basis, including its compliance with this Charter, and provide any written material with respect to such evaluation to the Board, including any recommendations for changes in procedures or policies governing the Committee. The Committee shall conduct such evaluation and review in such manner as it deems appropriate.

12. The Committee shall periodically report to the Board on findings and actions.

13. The Committee shall review and reassess this Charter at least annually and submit any recommended changes to the Board for its consideration.

V. Delegation of Duties

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee or to specified executive officers of the Company.

Exhibit D

HARRAH'S ENTERTAINMENT, INC.

CODE OF CONDUCT

I. GENERAL STATEMENT OF BUSINESS PHILOSOPHY

Harrah's Entertainment, Inc. has achieved its position in the gaming entertainment industry through exemplary dedication to the highest ethical standards, standards which Harrah's holds as an essential objective in all its business activities, in every market that it serves. Our Code of Commitment contains a public pledge to our guests, employees and communities that we will honor the trust they have placed in us. Our Marketing and Advertising Code furthers our interest in promoting responsible gaming by current and potential customers. Our Corporate Governance Guidelines set forth the high ethical standards and integrity with which we govern our corporate affairs. The purpose of this Code of Conduct is to strengthen the ethical climate of Harrah's and to provide basic guidelines to help employees and directors of Harrah's act with the utmost integrity in situations where ethical dilemmas commonly arise. Each employee and non-employee director of Harrah's is, and will be held, responsible for the observance of this Code of Conduct.

We strive to do business only with customers and suppliers of sound business character and reputation. We do not knowingly support any public or private organization which espouses discriminatory policies or practices. We expect all our employees to perform their work with honesty, truthfulness and integrity.

It is the policy of Harrah's to comply with all applicable laws and regulations, including, without limitation, gaming, employment, discrimination, health, safety, antitrust, securities and environmental laws. No director, officer, executive or manager of Harrah's has authority to violate any law or to direct another employee or any other person to violate any law on behalf of Harrah's.

II. POLICIES AND PRACTICES

Harrah's and its employees are governed by numerous statutory, regulatory and administrative guidelines. Compliance with these laws and regulations is paramount to maintaining Harrah's strong reputation and ability to serve the markets in which it operates. But compliance with laws and regulations is only the beginning. Harrah's has instituted numerous policies to ensure that its employees and directors act with the utmost integrity and ethics and avoid improprieties in the conduct of Harrah's business.

A. Compliance System

Harrah's has formalized its policies and practices into a compliance system administered by a Corporate Compliance Committee and a Corporate Compliance Officer to assist senior management in protecting Harrah's against questionable associations and protect the integrity and reputation of Harrah's in the conduct of its gaming entertainment operations. Many of the policies included within our compliance system are described in paragraphs A.1. through A.6. below.

1. Employee Suitability. It is Harrah's policy to conduct a background check on all prospective members of Harrah's Board of Directors, all prospective officers, and all new employees with a base salary of $100,000 or more per year. In addition, any person being considered for membership on Harrah's Board, as an officer, or for certain other management positions within Harrah's is required to execute a Management Disclosure Form prior to being hired or elected.

2. Suitability of Associated Persons. It is Harrah's policy to avoid an association with any person who (i) has been determined to be unsuitable to be associated with a gaming enterprise by a gaming authority or whose unsuitability has been reported to Harrah's by a gaming authority; (ii) is included in a list of persons excluded from being active in the gaming industry by a gaming authority; (iii) is commonly and publicly considered to be notorious and unsavory by virtue of his or her conduct or affairs; or (iv) is reputed to have inappropriate standards of business or professional conduct. In furtherance of this policy, Harrah's will not do business with any business partner, junket representative, lobbyist or consultant, or engage in certain business relationships with any other person, who does not comply with the standards to which Harrah's holds its own employees.

3. Conflicts of Interest. A conflict of interest may arise in any situation in which an employee's loyalties are divided between business interests that, to some degree, are incompatible with the interests of Harrah's. All such conflicts should be avoided. Harrah's demands absolute integrity from all its employees and will not tolerate any conduct that falls short of that standard. Harrah's expects that no employee will knowingly place himself or herself in a position that would have the appearance of being, or could be construed to be, in conflict with the interests of Harrah's. Some situations typically considered a conflict of interest for our employees are as follows:

- Having an interest in a firm that does business with Harrah's or engaging in a private business relationship with a person or firm doing business with Harrah's, particularly if the employee supervises Harrah's relationship with that person or firm.

- Engaging in a private business relationship with the employee's supervisor or an employee whom the employee supervises.

- Engaging in a competing business or owning stock or other securities of a competitor other than insignificant interests. We define "insignificant" as the lesser of (a) under 1% of the total outstanding class of securities or (b) 5% or less of the employee's personal net worth.

- Engaging in a private business venture with an officer or other employee of a firm which competes with Harrah's.

- Using Harrah's resources for personal benefit, such as extending Harrah's complimentaries to further personal business purposes, or using company staff or assets for personal business or company funds to purchase gifts for employees who have the ability to influence the employee's career.

- Soliciting gifts or other things of value from Harrah's employees, or accepting gifts of substantial value from employees whose careers the employee has the ability to influence.

- Having an interest in or speculating in products or real estate whose value may be affected by Harrah's business.

- Improperly divulging or using confidential information such as plans, operating or financial data or computer programs.

Certain other instances may give rise to conflicts of interest, and Harrah's Compliance System addresses the following:

a. Accepting Gifts and Entertainment

Harrah's aim is to deter givers of gifts from seeking or receiving special favors from Harrah's employees. Accepting any gift of more than nominal value or entertainment that is more than a routine social amenity can appear to be an attempt to influence the recipient into favoring a particular customer, vendor, consultant or the like. To avoid the reality and the appearance of improper relations with current or prospective customers, vendors and consultants, employees are subject to certain guidelines when deciding whether or not to accept gifts or entertainment. Specifically, the giving or acceptance of cash as a gift is expressly prohibited. Generally, nominal gifts (under $100) may be given to vendors and suppliers and may be received from vendors, suppliers, and customers, provided such gifts are usually associated with accepted business practices. Employees should refuse gifts, services, or entertainment where its value might appear to affect their business objectivity. Gifts, services, or entertainment (in excess of $100) are not to be given or received without prior approval.

b. Community and Political Activity and Contributions

Harrah's may legally support organizations dedicated to improving our communities and the business environment for our industry. Federal law generally prohibits the contribution of corporate funds to political candidates or parties, and to any other organization that might use the contributions for a political candidate or party. This prohibition also extends to indirect expenditures on behalf of a candidate or elected official, such as travel on corporate aircraft or use of telephones and other corporate equipment. Some state laws have similar limitations on the contribution of corporate funds to political candidates or parties as well as on the amounts which can be contributed to a candidate. These prohibitions do not limit Harrah's ability to express its views on public issues and spend company funds to ensure that those views are broadly disseminated. Harrah's also may provide financial support to non-partisan groups that advocate similar positions.

In addition, Harrah's strongly encourages all individual employees to participate in their communities and in the political process, including voluntary contributions to candidates and parties. However, no political contributions may be made to state and local candidates and political parties without prior approval. No influence shall be exerted by any employee on another employee to make any personal political contributions or to engage in any political activity inconsistent with that employee's personal inclinations. In no event may an employee be reimbursed by Harrah's in any manner for political activities or contributions.

Harrah's also has organized a political action committee (PAC) under federal law, and may have PACs organized under various state laws, as well. The Harrah's Political Action Committee invites contributions from management level employees and urges its employees to consider seriously whether they wish to participate in this PAC activity. An employee's participation in the PAC is, by law, entirely voluntary and Harrah's will not favor or disadvantage any employee by reason of that employee's decision whether or not to contribute to the PAC, or by reason of the size of any PAC contribution.

4. Antitrust Laws. The federal government, most state governments, and many foreign governments have enacted antitrust or "competition" laws. These laws prohibit "restraints of trade", which is certain conduct involving competitors, customers or suppliers in the marketplace. Their purpose is to ensure that markets for goods and services operate competitively and efficiently, so that customers enjoy the benefit of open competition among their suppliers and sellers similarly benefit from competition among their purchasers.

Strict compliance with antitrust and competition laws around the world is essential. These laws are very complex. Some types of conduct are always illegal under the antitrust laws of the United States and many other countries. To remain above suspicion, employees should avoid even discussing the following subjects with competitors:

- prices, terms or conditions of sale;
- credit terms;
- discounts;
- profits;
- deliveries;
- market share;
- distribution practices;
- costs;
- sales territories or sales volume;
- selections, rejections or termination of customers;
- production or sales volume;
- proposed markets, locations of proposed facilities.

If discussions on these subjects should arise in a meeting where competitors are present, employees should immediately disassociate themselves from the conversation and leave the meeting. The Law Department should be notified immediately.

Antitrust laws may be implicated in Harrah's relations with customers as well. It may be unlawful to sell the same product to competing customers at different prices, and generally, competing customers should be treated on a proportionately equal basis when granting sales promotions, promotion discounts, advertising allowances or assistance in the form of services and facilities.

This Code of Conduct is not intended as a comprehensive review of antitrust laws, and is not a substitute for expert advice. If any employee has questions concerning a specific situation, he or she should contact the Compliance Officer or Law Department before taking action.

5. Relationships with Public Officials. Some employees do business with federal, state or local government agencies. All employees engaged in business with a governmental body or agency must know and abide by the specific rules and regulations covering relations with public agencies. Such employees must also conduct themselves in a manner that avoids any dealings which might be perceived as attempts to influence public officials in the performance of their official duties. In order to promote and preserve public trust and confidence in the integrity of the gaming industry and to ensure conformity with the highest standards of conduct, free from the appearance of impropriety, Harrah's has adopted policies prohibiting employees from engaging in certain activity inconsistent with those aims.

6. Bribery, Kickback and Fraud; Prohibited Receipts and Payments. No funds or assets of Harrah's shall be paid, loaned or otherwise disbursed as bribes, "kickbacks", or other payments designed to influence or compromise the conduct of the recipient; and no employee of Harrah's shall accept any funds or other assets (including those provided as preferential treatment to the employee for fulfilling their responsibilities), for assisting in obtaining business or for securing special concessions from Harrah's. Directors, officers, employees and representatives of Harrah's are prohibited from engaging in the following transactions to obtain business, retain business or direct business to others, or to induce a government official or employee to fail to perform or to perform improperly his official functions.

- Payment or offer to pay anything of value, directly or indirectly, to any domestic or foreign government official or employee.

- Payment or offer to pay anything of value, directly or indirectly, to any party in the form of a commercial bribe, influence payment or kickback.

- Receipt or acceptance of anything of value directly or indirectly, from any party in the form of a commercial bribe, influence payment or kickback.

In addition, using, directly or indirectly, any funds or other assets of Harrah's or any subsidiary for any unlawful purpose, for example, political contributions made in violation of applicable law, is also strictly prohibited.

Harrah's prohibits establishing or maintaining unrecorded funds or assets of Harrah's or any of its subsidiaries and the making of false or misleading entries in the books and records of Harrah's or any of its subsidiaries. Harrah's also prohibits payments on its behalf or behalf of any subsidiary without adequate supporting documentation or with the intention or understanding that any part of such payment is to be used for any purpose other than that described in the document supporting the payment.

Any employee found to be receiving, accepting or condoning a bribe, kickback, or other unlawful or prohibited payment, or attempting to initiate such activities, will be liable to termination and possible criminal proceedings against them. Any employee found to be attempting fraud or engaging in fraud will be liable to termination and possible criminal proceedings against them. All employees have a responsibility to report any actual or attempted bribery, kickback or fraud to the Compliance Officer or Law Department.

B. Corporate Governance

Harrah's, its directors, officers and employees must act with the highest ethical standards and utmost integrity in administering Harrah's corporate affairs and complying with securities laws, including in the preparation of its financial statements and the reporting of its financial condition to its stockholders, creditors and the investment community.

1. Corporate Governance Guidelines. Harrah's has adopted guidelines setting forth its corporate governance structure and the general principles it follows in governing its corporate affairs. Those guidelines describe the composition of Harrah's Board of Directors, including the qualifications of its members and the manner in which their compensation is determined, as well as the responsibilities of the Board and of Harrah's senior management. In addition, charters for the Board's Audit, Human Resources and Nominating/Corporate Governance Committees

are included, each of which set forth the purpose of the respective committees and the means by which those committees perform their various responsibilities.

2. Code of Ethics for Senior Officers. Harrah's Chief Executive Officer and President, Chief Operating Officer, Chief Financial Officer and Chief Accounting Officer, those officers most directly responsible for our financial reporting, are subject to a "code of ethics" designed to deter wrongdoing and to promote (i) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships, (ii) full, fair, accurate, timely, and understandable disclosure in reports and documents that we file with, or submit to, the Securities and Exchange Commission and in other public communications made by us, (iii) compliance with applicable governmental laws, rules and regulations, (iv) prompt internal reporting to an appropriate person or persons identified in the code of violations of the code, and (v) accountability for adherence to the code.

3. Securities Laws. Our securities trading policy prohibits trading by our employees and directors when they have knowledge of material, non-public information. Also prohibited is trading by officers and directors during any period in which participants in Harrah's retirement plans are prohibited from similar trades and during quarterly blackout periods. Harrah's subjects its officers and directors to a securities laws compliance program to ensure their compliance with restrictions on trading and reporting obligations under federal securities laws. Employees who have questions pertaining to the sale or purchase of a security under circumstances that might involve confidential information or securities laws should consult with the General Counsel or Corporate Secretary.

4. Books and Records. All employees with supervisory duties should establish and implement appropriate internal accounting controls over all areas of their responsibility to ensure the safeguarding of the assets of Harrah's and the accuracy of its financial records and reports. Harrah's has adopted controls in accordance with internal needs and the requirements of applicable laws and regulations, including those applicable to participants in the gaming industry. These established accounting practices and procedures must be followed to assure the complete and accurate recording of all transactions. All staff, within their areas of responsibility, are expected to adhere to these procedures, as directed by appropriate Harrah's officers.

Any accounting adjustments that materially depart from generally accepted accounting principles must be approved by the audit committee and reported to Harrah's independent auditors. In addition, all material off-balance-sheet transactions, arrangements and obligations, contingent or otherwise, and other relationships of Harrah's with unconsolidated entities or other persons that may have material current or future effects on the financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources or significant components of revenues or expenses must be disclosed to the audit committee and Harrah's independent auditors.

No employee or non-employee director may interfere with or seek to improperly influence, directly or indirectly, the auditing of Harrah's financial records. Violation of these provisions shall result in disciplinary action, up to and including termination, and may also subject the violator to substantial civil and criminal liability.

If an employee becomes aware of any improper transaction or accounting practice concerning the resources of Harrah's, he or she should report the matter immediately to his or her supervisor, to Harrah's Vice President, Internal Audit, or to the Law Department. Employees may also call a designated toll-free hotline if they have information regarding questionable accounting or auditing matters. Harrah's prohibits any retaliation against employees who disclose questionable accounting or auditing matters.

5. Record Retention. Harrah's has implemented a uniform, company-wide record retention program that identifies and classifies specific types of records and assigns a retention period meeting business needs and consistent with regulatory and legal requirements. The policy applies to all documents and records of any kind (paper and electronic) generated or received by Harrah's in the course of business, including documents maintained in individual offices, or at any other off-site location, and generally requires that all records will be retained for the period required by all applicable state and federal laws and regulations. Records not necessary for legitimate business reasons and not required to be retained by law or regulation are destroyed.

In addition, whenever it becomes apparent that documents of any type will be required in connection with a lawsuit or government investigation, all possibly relevant documents should be preserved, and ordinary disposal or alteration of documents pertaining to the subjects of the litigation or investigation should be immediately suspended. If an employee is uncertain whether documents under his or her control should be preserved because they might relate to a lawsuit or investigation, he or she should contact the Law Department.

C. Employment Policies

Harrah's employment policies and practices are set forth in the Employee Handbooks for its various properties and in its on-line Employee Policy Manual. Harrah's treats its employees, and expects its employees to treat each other, with respect and fairness, and we tolerate no harassment in our employees' work environment, regardless of sex, race, color, religion, national origin, age, or disability.

1. Equal Opportunity/Equal Pay. Harrah's is committed to providing a work environment free of discrimination and complying in all respects with laws governing equal employment opportunities and equal pay, regardless of an individual's race, religion, national origin, sex, age, veteran status or disability, unless related to his or her ability to perform or in furtherance of the interests of our Native American partners. This includes Harrah's commitment to comply with the Americans with Disabilities Act and provide equal opportunity to all qualified applicants and employees.

2. Confidentiality; Guest Privacy. Harrah's employees may not make disclosures of information about Harrah's that has not been shared with the general public. Furthermore, employees are required to comply with all laws governing the privacy of our guests.

3. Substance Abuse Policy. Harrah's has adopted a substance abuse policy as part of its commitment to provide a safe work place and promote high standards of health and safety. The illegal use, possession, sale, manufacture or distribution of drugs, alcohol or other controlled substances on Harrah's property is prohibited, and employees may not report to work under the influence of drugs or alcohol. Harrah's tests all applicants for employment prior to hire, and may test employees in other circumstances.

4. No Retaliation. No Harrah's employee may interfere with or retaliate against another employee who seeks to invoke his or her rights under the laws governing labor and employee relations. If any employee has any questions about the laws or Harrah's policies governing labor

and employee relations matters, he or she should consult his or her Employee Handbook or contact the Human Resources Department or the Law Department.

5. Computer Usage, E-mail and Internet. Every employee is responsible for using Harrah's computer system, including, without limitation, its electronic mail (e-mail) system and the Internet, properly and in accordance with Harrah's policies. Harrah's Computer Usage Policy is contained in the on-line Employment Policy Manual. The computers that employees are provided or to which they have access for work and the e-mail system are the property of Harrah's and are provided for use in conducting Harrah's business. All communications and information transmitted by, received from, created or stored in these computers (whether through word processing programs, e-mail, the Internet or otherwise) are Harrah's records and the property of Harrah's. Employees should not have an expectation of privacy in anything they create, store, send or receive on the computers which Harrah's provides to them or to which they have access. Harrah's policies prohibit using Harrah's computers to send or receive messages or files that are illegal, sexually explicit, abusive, offensive or profane.

6. Labor Organizations. Harrah's deals with labor organizations in accordance with the law and the best interests of each facility and its employees. Its aim is to ensure the highest caliber of communication with organized labor, free from innuendo, speculation or misrepresentation which may reflect adversely on the good intentions or integrity of Harrah's employees. Generally, complimentary services of any kind will not knowingly be extended to an officer, agent, or representative of any labor organization. At facilities where a labor organization has been recognized, or where the facility is signatory to a collective bargaining agreement, only the appropriate labor relations managers or other authorized employees may meet and communicate with labor representatives regarding routine business matters, and those individuals must notify the Law Department prior to the commencement of contract negotiations and at any other time that a non-routine business matter arises or any matter arises which they believe may, or is likely to, result in litigation.

III. COMPLIANCE WITH THE CODE OF CONDUCT

All employees have a responsibility to understand and follow the Code of Conduct. In addition, all employees are expected to perform their work with honesty and integrity in any areas not specifically addressed by the Code of Conduct. A violation of this Code of Conduct may result in appropriate disciplinary action including the possible termination from employment with Harrah's, without additional warning.

Harrah's strongly encourages dialogue among employees and their supervisors to make everyone aware of situations that give rise to ethical questions and to articulate acceptable ways of handling those situations.

The Code of Conduct reflects general principles to guide employees in making ethical decisions and cannot and is not intended to address every specific situation. As such, nothing in this Code of Conduct prohibits or restricts Harrah's from taking any disciplinary action on any matters pertaining to employee conduct, whether or not they are expressly discussed in this document. The Code of Conduct is not intended to create any expressed or implied contract with any employee or third party. In particular, nothing in this document creates any employment contract between Harrah's and any of its employees.

The Board of Directors of Harrah's Entertainment, Inc. has the exclusive responsibility for the final interpretation of the Code of Conduct. The Code of Conduct may be revised, changed or amended at any time by the Board of Directors of Harrah's Entertainment, Inc.

IV. REPORTING SUSPECTED NON-COMPLIANCE

A. General Policy

As part of its commitment to ethical and legal conduct, Harrah's expects its employees to bring to the attention of the Law Department or the Compliance Officer, or any of the people designated by them, information about suspected violations of this Code of Conduct or of law by any Harrah's employee or agent. Employees who have information about suspected improper accounting or auditing matters should bring it to the attention of their supervisors, the Law Department and/or the Vice President, Internal Audit, or submit an anonymous complaint. Employees are required to come forward with any such information, without regard to the identity or position of the suspected offender. Harrah's will treat the information in a confidential manner (consistent with appropriate evaluation and investigation) and will seek to ensure that no acts of retribution or retaliation will be taken against anyone for making a report.

Because failure to report criminal activity can itself be understood to condone the crime, we emphasize the importance of reporting. Failure to report knowledge of wrongdoing may result in disciplinary action against those who fail to report.

B. Complaint Procedure

Notification of Complaint - Information about known or suspected violations of this Code of Conduct or any other company policy by any employee or agent should be reported promptly. Whenever practical an employee should do so in writing. Harrah's has also provided an anonymous toll-free hotline to serve as a means by which employees may provide information.

Investigation - Reports of violations will be investigated under either the supervision of either the Law Department, the Vice President, Internal Audit or the Compliance Officer. Employees must cooperate in the investigation of reported violations.

Confidentiality - To the extent practical and appropriate under the circumstances to protect the privacy of the persons involved, the identity of anyone who reports a suspected violation or who participates in the investigation will not be disclosed.

Protection Against Retaliation - Retaliation in any form against an individual who reports a violation of this Code of Conduct, company policy, or of law, even if the report is mistaken, or who assists in the investigation of a reported violation, is itself a serious violation of this policy. Acts of retaliation should be reported immediately and will be disciplined appropriately.