

CAESARS ENTERTAINMENT INC
 Form 4/A
 June 28, 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 *
 Allison Wesley D

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)

3. Date of Earliest Transaction (Month/Day/Year)
 03/14/2005

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 SVP & INTERIM CFO

CAESARS ENTERTAINMENT, 3930 HOWARD HUGHES PARKWAY
 (Street)

4. If Amendment, Date Original Filed(Month/Day/Year)
 03/16/2005

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 ____ Form filed by More than One Reporting Person

LAS VEGAS, NV 89109
 (City) (State) (Zip)

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 Ownership (Instr. 4)		
				(A) or (D)	Code	V	Amount	(D)	Price

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

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SEC 1474 (9-02)

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

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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 Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Non-Qualified Stock Option (right to buy)	\$ 6.5	03/14/2005		D ⁽¹⁾		20,000	01/15/2000 01/15/2009	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 7.555	03/14/2005		D ⁽¹⁾		30,000	03/11/2005 ⁽³⁾ 01/28/2013	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 9.935	03/14/2005		D ⁽¹⁾		20,000	03/11/2005 ⁽³⁾ 01/30/2012	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 11.1875	03/14/2005		D ⁽¹⁾		11,000	01/13/2001 01/13/2010	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 11.22	03/14/2005		D ⁽¹⁾		15,000	01/29/2002 01/29/2011	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Allison Wesley D CAESARS ENTERTAINMENT 3930 HOWARD HUGHES PARKWAY LAS VEGAS, NV 89109			SVP & INTERIM CFO	

Signatures

WES ALLISON 06/27/2005

 **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).
- (1) Optionee elected to cash-out 1998 Stock Incentive Plan or 1998 Independent Director Stock Option Plan options upon shareholder approval of the merger agreement on March 11, 2005.

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Pursuant to the change of control provisions of the 1998 Plan, the amount to be paid upon the exercise of these options has been adjusted to reflect the value of the stock and cash received by those stockholders that elected to receive the stock consideration in the merger of

(2) Caesars Entertainment, Inc. with and into Harrah's Operating Company, Inc. on June 13, 2005. On March 14, 2005, the optionee received \$20.89 per Caesars stock option surrendered for cash payment, and on June 24, 2005 received an additional cash payment of \$0.96 per Caesars stock option surrendered in connection with the adjustment described above.

(3) Outstanding 1998 Plan options became vested and exercisable upon shareholder approval of the merger agreement on March 11, 2005.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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