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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

September 11, 2009
Date of Report (Date of earliest event reported)

Harrah's Entertainment, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

001-10410
(Commission File Number)

62-1411755
(IRS Employer Identification Number)

One Caesars Palace Drive
Las Vegas, Nevada 89109
(Address of principal executive offices) (Zip Code)

(702) 407-6000
(Registrant's telephone number, including area code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Section 1—Registrant’s Business and Operations

Item 1.01 Entry into a Material Definitive Agreement.

1. Second Supplemental Indenture and Senior Secured Notes due 2017

On September 11, 2009, Harrah’s Operating Company, Inc. (the “Company”), a wholly owned subsidiary of Harrah’s Entertainment, Inc. (the “Registrant” or the “Parent Guarantor”) issued \$720,000,000 aggregate principal amount of 11.25% senior secured notes due 2017 (the “notes”), which mature on June 1, 2017, pursuant to a supplemental indenture, dated as of September 11, 2009, among the Company, the Parent Guarantor and U.S. Bank National Association, as trustee (the “Second Supplemental Indenture”), to an indenture, dated as of June 10, 2009, among Harrah’s Operating Escrow LLC and Harrah’s Escrow Corporation (together, the “Escrow Issuers”), wholly owned subsidiaries of the Company, the Parent Guarantor, as parent guarantor and U.S. Bank National Association, as trustee (the “Indenture Trustee”) (the “Base Indenture”), as supplemented by the supplemental indenture, dated as of June 10, 2009 among the Company and the Indenture Trustee (the “First Supplemental Indenture” and, together with the Base Indenture and the Second Supplemental Indenture, the “Indenture”). The Indenture provides that the notes are guaranteed by the Parent Guarantor and are secured by substantially all of the assets of the Company and the assets of the subsidiaries of the Company that have pledged their assets to secure the Company’s obligations under the Company’s senior secured credit facilities.

The Company will pay interest on the notes at 11.25% per annum, semiannually to holders of record at the close of business on May 15 or November 15 immediately preceding the interest payment date on June 1 and December 1 of each year, commencing on December 1, 2009.

The Company may redeem the notes, in whole or part, at any time prior to June 1, 2013, at a price equal to 100% of the principal amount of the notes redeemed plus accrued and unpaid interest to the redemption date and a “make-whole premium.” The Company may redeem the notes, in whole or in part, on or after June 1, 2013, at the redemption prices set forth in the Indenture. At any time (which may be more than once) before June 1, 2012, the Company may choose to redeem up to 35% of the principal amount of the notes at a redemption price equal to 111.250% of the face amount thereof with the net proceeds of one or more equity offerings so long as at least 50% of the aggregate principal amount of the notes at maturity issued of the applicable series remains outstanding afterwards.

The Indenture contains covenants that limit the Company’s (and most of its subsidiaries’) ability to, among other things: (i) incur additional debt or issue certain preferred shares; (ii) pay dividends on or make other distributions in respect of its capital stock or make other restricted payments; (iii) make certain investments; (iv) sell certain assets; (v) create or permit to exist dividend and/or payment restrictions affecting its restricted subsidiaries; (vi) create liens on certain assets to secure debt; (vii) consolidate, merge, sell or otherwise dispose of all or substantially all of its assets; (viii) enter into certain transactions with its affiliates; and (ix) designate its subsidiaries as unrestricted subsidiaries. These covenants are subject to a number of important limitations and exceptions. The Indenture also provides for events of default, which, if any of them occurs, would permit or require the principal, premium, if any, interest and any other monetary obligations on all the then outstanding notes to be due and payable immediately.

2. Registration Rights Agreement

On September 11, 2009, in connection with the issuance of the notes, the Company and the Parent Guarantor entered into a registration rights agreement with J.P. Morgan Securities Inc., Banc of America Securities LLC, Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC and Deutsche Bank Securities Inc. as representatives of the initial purchasers, relating to, among other things, the exchange offer for the notes and the related guarantee (as described above) (the “Registration Rights Agreement”).

Subject to the terms of the Registration Rights Agreement, the Company and the Parent Guarantor will use their commercially reasonable efforts to register with the SEC notes having substantially identical terms as the notes as part of offers to exchange freely tradable exchange notes for notes within 365 days after the issue date of the notes (the “effectiveness target date”). The Company and the Parent Guarantor will use their commercially reasonable efforts to cause each exchange offer to be completed within 30 business days after the effectiveness target date.

If the Company and the Parent Guarantor fail to meet these targets (a “registration default”), the annual interest rate on the notes will increase by 0.25%. The annual interest rate on the notes will increase by an additional 0.25% for each subsequent 90-day period during which the registration default continues, up to a maximum additional interest rate of 1.0% per year over the applicable interest rate, which is 11.25%. If the registration default is corrected, the applicable interest rate will revert to the original level.

3. Joinder to Intercreditor Agreement

On September 11, 2009, the Indenture Trustee entered into a joinder to the intercreditor agreement (the “Joinder to the Second Lien Intercreditor Agreement”), dated as of December 24, 2008 and supplemented as of April 15, 2009 and June 10, 2009, among Bank of America, N.A., as credit agreement agent, U.S. Bank National Association, as trustee, U.S. Bank National Association, as second priority agent and each collateral agent for any future second lien indebtedness from time to time party thereto (the “Second Lien Intercreditor Agreement”).

Pursuant to the Joinder to the Second Lien Intercreditor Agreement, the Indenture Trustee became a party to and agreed to be bound by the terms of the Second Lien Intercreditor Agreement as another first priority lien obligations agent, as if it had originally been party to the Second Lien Intercreditor Agreement as a first priority agent. The Second Lien Intercreditor Agreement governs the relative priorities of the respective security interests in the Company’s and certain subsidiaries’ assets securing (i) the notes, (ii) the 11.25% senior secured notes due 2017 issued pursuant to the Indenture on June 10, 2009, (iii) the 10.0% second-priority senior secured notes due 2018 issued pursuant to the indenture dated as of April 15, 2009, among the Company, Parent Guarantor and U.S. Bank National Association, as trustee, (iv) the 10.0% second-priority senior secured notes due 2015 and the 10.0% second-priority senior secured notes due 2018 issued pursuant to the indenture, dated as of December 24, 2008, among the Company, Parent Guarantor and U.S. Bank National Association, as trustee and (v) borrowings under the senior secured credit facilities and certain other matters relating to the administration of security interests.

4. Other First Lien Secured Party Consent to the Collateral Agreement

On September 11, 2009, the Indenture Trustee entered into an other first lien secured party consent to the Collateral Agreement (the “Collateral Agreement Consent”), as authorized representative (the “Collateral Authorized Representative”), for persons who shall become secured parties (the “New Collateral Secured Parties”) under the amended and restated collateral agreement dated and effective as of January 28, 2008 (as amended and restated on June 10, 2009) (the “Collateral Agreement”) among the Company, each subsidiary of the Company identified therein as a party and Bank of America N.A., as collateral agent (in such capacity, the “Collateral Agent”) for the Secured Parties (as defined therein).

Pursuant to the Collateral Agreement Consent, the notes will be secured on a first priority basis by substantially all of the assets of the Company and the assets of the Subsidiary Pledgors, and the Collateral Authorized Representative was authorized to become a party to the Collateral Agreement on behalf of the New Collateral Secured Parties under the Indenture and to act as the Collateral Authorized Representative for the New Collateral Secured Parties.

5. Other First Lien Secured Party Consent to the Guaranty and Pledge Agreement

On September 11, 2009, the Indenture Trustee entered into an other first lien secured party consent to the Guaranty and Pledge Agreement (the “Guaranty and Pledge Consent”), as authorized representative (the “Guaranty Authorized Representative”), for persons who shall become secured parties (the “New Guaranty Secured Parties”) under the Amended and Restated Guaranty and Pledge Agreement, dated and effective as of January 28, 2008 (as amended and restated on June 10, 2009) (the “Guaranty and Pledge Agreement”) by the Parent Guarantor in favor of Bank of America, N.A., as administrative agent and collateral agent (the “Agent”) for the lenders party to the senior secured credit facilities.

Pursuant to the Guaranty and Pledge Consent, the Parent Guarantor guarantees the payment of the notes and grants to the Agent for the benefit of the New Guaranty Secured Parties a security interest in all of its rights and title in the Collateral (as defined therein) as collateral security for prompt payment on the notes, and the Authorized Representative was authorized to become a party to the Guaranty and Pledge Agreement on behalf of the New Guaranty Secured Parties under the Indenture and to act as the Guaranty Authorized Representative for the New Guaranty Secured Parties.

The foregoing summary is qualified in its entirety by reference to the Indenture, the Registration Rights Agreement, the Joinder to the Intercreditor Agreement, the Collateral Agreement Consent and the Guaranty and Pledge Consent, attached hereto as Exhibit 4.1, Exhibit 4.2, Exhibit 10.1, Exhibit 10.2 and Exhibit 10.3, respectively, and incorporated herein by reference.

Section 2—Financial Information

Item 2.03 Creation of a Direct Financial Obligation.

The information set forth under Item 1.01 above is incorporated by reference into this Item 2.03.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
4.1	Second Supplemental Indenture, dated as of September 11, 2009, by and among Harrah's Operating Company, Inc., Harrah's Entertainment, Inc. and U.S. Bank National Association, as trustee.
4.2	Registration Rights Agreement, dated as of September 11, 2009, by and among Harrah's Operating Company, Inc., Harrah's Entertainment, Inc. and J.P. Morgan Securities Inc., Banc of America Securities LLC, Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC and Deutsche Bank Securities Inc. as representatives of the initial purchasers.
10.1	Joinder and Supplement to the Intercreditor Agreement, dated as of September 11, 2009, by and among U.S. Bank National Association, as new trustee, U.S. Bank National Association, as Trustee under the Intercreditor Agreement, Bank of America, N.A., as Credit Agreement Agent under the Intercreditor Agreement, and any other First Lien Agent and Second Priority Agent from time to time party to the Intercreditor Agreement.
10.2	Other First Lien Secured Party Consent, dated as of September 11, 2009, by U.S. Bank National Association, as agent or trustee for persons who shall become "Secured Parties" under the Amended and Restated Collateral Agreement dated and effective as of January 28, 2008 (as amended and restated on June 10, 2009).
10.3	Other First Lien Secured Party Consent, dated as of September 11, 2009, by U.S. Bank National Association, as agent or trustee for persons who shall become "Secured Parties" under the Amended and Restated Guaranty and Pledge Agreement dated and effective as of January 28, 2008 (as amended and restated on June 10, 2009).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HARRAH'S ENTERTAINMENT, INC.

Date: September 17, 2009

By: /s/ MICHAEL D. COHEN

Michael D. Cohen
Vice President, Associate General Counsel
and Corporate Secretary

EXHIBIT INDEX

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10.1	Joinder and Supplement to the Intercreditor Agreement, dated as of September 11, 2009, by and among U.S. Bank National Association, as new trustee, U.S. Bank National Association, as Trustee under the Intercreditor Agreement, Bank of America, N.A., as Credit Agreement Agent under the Intercreditor Agreement, and any other First Lien Agent and Second Priority Agent from time to time party to the Intercreditor Agreement.
10.2	Other First Lien Secured Party Consent, dated as of September 11, 2009, by U.S. Bank National Association, as agent or trustee for persons who shall become "Secured Parties" under the Amended and Restated Collateral Agreement dated and effective as of January 28, 2008 (as amended and restated on June 10, 2009).
10.3	Other First Lien Secured Party Consent, dated as of September 11, 2009, by U.S. Bank National Association, as agent or trustee for persons who shall become "Secured Parties" under the Amended and Restated Guaranty and Pledge Agreement dated and effective as of January 28, 2008 (as amended and restated on June 10, 2009).

SECOND SUPPLEMENTAL INDENTURE

SECOND SUPPLEMENTAL INDENTURE (this "Supplemental Indenture") dated as of September 11, 2009 (the "New Notes Issue Date"), among HARRAH'S OPERATING COMPANY, INC., a Delaware corporation (the "Issuer"), HARRAH'S ENTERTAINMENT, INC., a Delaware corporation (the "Parent Guarantor") and U.S. BANK NATIONAL ASSOCIATION, a national banking association, as trustee under the indenture referred to below (the "Trustee").

WITNESSETH:

WHEREAS, Harrah's Operating Escrow LLC, a Delaware limited liability company, Harrah's Escrow Corporation, a Delaware corporation (together, the "Escrow Issuers"), and the Parent Guarantor have heretofore executed and delivered to the Trustee an indenture (the "Base Indenture") dated as of June 10, 2009, providing for the issuance of 11 1/4% Senior Secured Notes due 2017 (the "Existing Notes"), initially in the aggregate principal amount of \$1,375,000,000;

WHEREAS, the Issuer has heretofore executed and delivered to the Trustee a supplemental indenture (the "First Supplemental Indenture" and, together with the Base Indenture, and as further amended, supplemented or otherwise modified, the "Indenture") dated as of June 10, 2009, pursuant to which the Issuer assumed all of the obligations of the Escrow Issuers under the Indenture and the Existing Notes;

WHEREAS, pursuant to Section 2.01 of the Indenture, the Issuer may issue Additional Notes under the Indenture subject to certain conditions as set forth therein;

WHEREAS, the Issuer desires to issue an additional \$720,000,000 aggregate principal amount of such Additional Notes (hereinafter, the "New Notes");

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee, the Issuer and the Parent Guarantor are authorized to execute and deliver this Supplemental Indenture;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Issuer, the Parent Guarantor and the Trustee mutually covenant and agree for the equal and ratable benefit of the holders of the Notes (as defined in the Indenture) as follows:

1. Defined Terms. As used in this Supplemental Indenture, terms defined in the Indenture or in the preamble or recital hereto are used herein as therein defined, except that the term "holders" in this Supplemental Indenture shall refer to the term "holders" as defined in the Indenture and the Trustee acting on behalf of and for the benefit of such holders. The words "herein," "hereof" and "hereby," and other words of similar import used in this Supplemental Indenture refer to this Supplemental Indenture as a whole and not to any particular section hereof.

2. New Notes. The Issuer shall issue the New Notes under the Indenture, subject to compliance with the terms thereof, with such New Notes to have identical terms to those of the Existing Notes; provided that:

- a. The aggregate amount of New Notes to be authenticated and delivered under this Supplemental Indenture on the New Notes Issue Date is \$720,000,000;
- b. The issue price of the New Notes is 100.0%, plus accrued interest from June 10, 2009;
- c. The New Notes will be issued on the New Notes Issue Date;
- d. The New Notes shall be issued as "Initial Notes" under the Indenture (including Appendix A thereto), shall in all respects be subject to the terms applicable to Initial Notes as provided in Appendix A to the Indenture, and shall be issuable in whole or in part in the form of one or more Global Notes as provided in Section 2.1(b) of Appendix A to the Indenture and in the form provided in Exhibit A to the Indenture (except that the New Notes shall bear the name and signature of the Issuer rather than the Escrow Issuers, and, until the New Notes and the Existing Notes are exchanged for freely tradable notes, the New Notes shall bear different CUSIP and ISIN Numbers). The New Notes shall be registered in the name of the Depository (as defined in Appendix A to the Indenture) or the nominee of such Depository, in each case for credit to an account of an Agent Member (as defined in Appendix A of the Indenture);
- e. The New Notes shall be, and may be exchanged or transferred on, the terms provided for Initial Notes in Appendix A to the Indenture;
- f. The New Notes and the Existing Notes shall be a single class for all purposes under the Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase; and
- g. Holders of New Notes shall have the benefit of a separate Registration Rights Agreement dated the date hereof.

3. Ratification of Indenture; Supplemental Indentures Part of Indenture. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and every holder of Notes heretofore or hereafter authenticated and delivered shall be bound hereby.

4. Governing Law. **THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.**

5. Trustee Makes No Representation. The Trustee makes no representation as to the validity or sufficiency of this Supplemental Indenture.

6. Counterparts. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

7. Effect of Headings. The Section headings herein are for convenience only and shall not effect the construction thereof.

8. Severability. In case any provision of this Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

HARRAH'S OPERATING COMPANY, INC.

By: /s/ Jonathan S. Halkyard
Name: Jonathan S. Halkyard
Title: Senior Vice President, Chief Financial Officer and
Treasurer

HARRAH'S ENTERTAINMENT, INC.

By: /s/ Jonathan S. Halkyard
Name: Jonathan S. Halkyard
Title: Senior Vice President, Chief Financial Officer and
Treasurer

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: /s/ Raymond S. Haverstock

Name: Raymond S. Haverstock

Title: Vice President

HARRAH'S OPERATING COMPANY, INC.
\$720,000,000 11 1/4% Senior Secured Notes due 2017
REGISTRATION RIGHTS AGREEMENT

September 11, 2009

J.P. Morgan Securities Inc.
Banc of America Securities LLC
Citigroup Global Markets Inc.
Credit Suisse Securities (USA) LLC
Deutsche Bank Securities Inc.

As Representatives of the Initial Purchasers listed on Schedule I to the Purchase Agreement
c/o J.P. Morgan Securities Inc.
270 Park Avenue
New York, New York 10017

Ladies and Gentlemen:

Harrah's Operating Company, Inc., a corporation organized under the laws of Delaware (the "Company"), proposes to issue and sell to certain purchasers (the "Initial Purchasers"), for whom you (the "Representatives") are acting as representatives, \$720,000,000 aggregate principal amount of its 11 1/4% Senior Secured Notes due 2017 (the "Notes"), upon the terms set forth in the Purchase Agreement between the Company, Harrah's Entertainment, Inc., a corporation organized under the laws of Delaware (the "Parent Guarantor"), and the Representatives dated September 8, 2009 (the "Purchase Agreement"), relating to the initial placement of the Notes (the "Initial Placement") and the related Guarantee (as defined below). To induce the Initial Purchasers to enter into the Purchase Agreement and to satisfy a condition to your obligations thereunder, the Company and Parent Guarantor agree with you for your benefit and the benefit of the holders from time to time of the Securities (as defined below) (including the Initial Purchasers) (each a "Holder" and, collectively, the "Holders"), as follows:

The Notes will be unconditionally guaranteed (the "Guarantee") on a senior basis by Parent Guarantor. The Notes, together with the Guarantee, are referred to herein as the "Securities."

1. Definitions. Capitalized terms used herein without definition shall have their respective meanings set forth in the Purchase Agreement. As used in this Agreement, the following capitalized defined terms shall have the following meanings:

“Additional Interest” shall have the meaning ascribed to it in Section 8 hereof.

“Affiliate” shall have the meaning specified in Rule 405 under the Securities Act and the terms “controlling” and “controlled” shall have meanings correlative thereto.

“broker-dealer” shall mean any broker or dealer registered as such under the Exchange Act.

“Business Day” shall mean any day other than a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies are authorized or obligated by law to close in New York City.

“Commission” shall mean the Securities and Exchange Commission.

“Company” shall have the meaning ascribed to it in the preamble.

“Deferral Period” shall have the meaning ascribed to it in Section 4(k)(ii) hereof.

“Event Date” shall have the meaning ascribed to it in Section 8(b) hereof.

“Exchange Act” shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

“Exchange Offer Registration Period” shall mean the one-year period following the consummation of the Registered Exchange Offer, exclusive of any period during which any stop order shall be in effect suspending the effectiveness of the Exchange Offer Registration Statement.

“Exchange Offer Registration Statement” shall mean a registration statement of the Company on an appropriate form under the Securities Act with respect to the Registered Exchange Offer, all amendments and supplements to such registration statement, including post-effective amendments thereto, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

“Exchanging Dealer” shall mean any Holder (which may include any Initial Purchaser) that is a broker-dealer and elects to exchange for New Securities any Securities that it acquired for its own account as a result of market-making activities or other trading activities (but not directly from the Company or any Affiliate of the Company) for New Securities.

“Final Memorandum” shall mean the offering memorandum, dated September 8, 2009, relating to the offer and sale of the Notes, including any and all exhibits thereto and any information incorporated by reference therein as of such date.

“FINRA Rules” shall mean the Conduct Rules and the By-Laws of the Financial Industry Regulatory Authority, Inc.

“Freely Tradable Security” shall mean any security at any time of determination if at such time of determination such security (i) may be sold to the public pursuant to Rule 144

under the Securities Act by a person that is not an “affiliate” (as defined in Rule 144 under the Securities Act) of the Company where no conditions of Rule 144 under the Securities Act are then applicable (other than the holding period requirement in paragraph (d) of Rule 144 under the Securities Act so long as such holding period requirement is satisfied at such time of determination), (ii) does not bear any restrictive legends relating to the Securities Act and (iii) does not bear a restricted CUSIP number.

“Guarantee” shall have the meaning ascribed to it in the preamble.

“Holder” shall have the meaning ascribed to it in the preamble.

“Indenture” shall mean that certain Indenture, relating to the Securities, dated as of June 10, 2009, among Harrah’s Operating Escrow LLC, Harrah’s Escrow Corporation, Parent Guarantor and U.S. Bank National Association, as trustee, as supplemented by the first supplemental indenture, dated as of June 10, 2009 and the second supplemental indenture, dated as of September 11, 2009, and as may be further amended or supplemented from time to time in accordance with the terms thereof.

“Initial Placement” shall have the meaning ascribed to it in the preamble.

“Initial Purchasers” shall have the meaning ascribed to it in the preamble.

“Inspector” shall have the meaning ascribed to it in Section 4(q)(ii) hereof.

“Losses” shall have the meaning ascribed to it in Section 6(d) hereof.

“Majority Holders” shall mean, on any date, Holders of a majority of the aggregate principal amount of the Notes registered under a Registration Statement.

“Managing Underwriters” shall mean the investment banker or investment bankers and manager or managers that administer an underwritten offering, if any, under a Registration Statement.

“New Securities” shall mean debt securities of the Company and the Guarantee by Parent Guarantor, in each case, identical in all material respects to the Notes and the related Guarantee (except that the transfer restrictions shall be modified or eliminated, as appropriate) to be issued under the Indenture in connection with sales or exchanges effected pursuant to this Agreement.

“Notes” shall have the meaning ascribed to it in the preamble.

“Parent Guarantor” shall have the meaning ascribed to it in the preamble.

“Prospectus” shall mean the prospectus included in any Registration Statement (including, without limitation, a prospectus that discloses information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A under the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Securities or the New Securities covered by such

Registration Statement, and all amendments and supplements thereto, including any and all exhibits thereto and any information incorporated by reference therein.

“Purchase Agreement” shall have the meaning ascribed to it in the preamble.

“Registered Exchange Offer” shall mean the proposed offer of the Company and Parent Guarantor to issue and deliver to the Holders of the Securities that are not prohibited by any law or policy of the Commission from participating in such offer, in exchange for the Securities, a like aggregate principal amount of the New Securities.

“Registrable Securities” shall mean (i) Securities other than those that have been (A) registered under a Registration Statement and exchanged or disposed of in accordance therewith or (B) sold to the public pursuant to Rule 144 under the Securities Act or any successor rule or regulation thereto that may be adopted by the Commission and (ii) any New Securities resale of which by the Holder thereof requires compliance with the prospectus delivery requirements of the Securities Act.

“Registration Default” shall have the meaning ascribed to it in Section 8(a) hereof.

“Registration Statement” shall mean any Exchange Offer Registration Statement or Shelf Registration Statement that covers any of the Securities or the New Securities pursuant to the provisions of this Agreement, any amendments and supplements to such registration statement, including post-effective amendments (in each case including the Prospectus contained therein), all exhibits thereto and all material incorporated by reference therein.

“Registration Trigger Date” shall mean the fifth Business Day following the one year anniversary of the date hereof.

“Securities” shall have the meaning ascribed to it in the preamble.

“Securities Act” shall mean the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

“Shelf Registration” shall mean a registration effected pursuant to Section 3 hereof.

“Shelf Registration Period” shall have the meaning ascribed to it in Section 3(b)(ii) hereof.

“Shelf Registration Statement” shall mean a “shelf” registration statement of the Company pursuant to the provisions of Section 3 hereof which covers some or all of the Securities or New Securities, as applicable, on an appropriate form under Rule 415 under the Securities Act, or any similar rule that may be adopted by the Commission, amendments and supplements to such registration statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

“Shelf Request” shall have the meaning ascribed to it in Section 3(a) hereof.

“Trustee” shall mean the trustee with respect to the Securities under the Indenture.

“underwriter” shall mean any underwriter of Securities in connection with an offering thereof under a Shelf Registration Statement.

2. Registered Exchange Offer. (a) Unless the Registered Exchange Offer would violate applicable law or any applicable interpretation of the staff of the Commission, with respect to any Securities that on the Registration Trigger Date are Registrable Securities, the Company and Parent Guarantor shall use their reasonable best efforts to prepare, to cause to be filed with the Commission and to become effective the Exchange Offer Registration Statement with respect to the Registered Exchange Offer; provided, however, that the Company and Parent Guarantor shall not be required to consummate such Registered Exchange Offer if the Securities are Freely Tradable Securities.

(b) If an Exchange Offer Registration Statement is filed and becomes effective pursuant to Section 2(a) above, upon the effectiveness of the Exchange Offer Registration Statement, the Company and Parent Guarantor shall promptly commence the Registered Exchange Offer, it being the objective of such Registered Exchange Offer to enable each Holder electing to exchange Securities for New Securities (assuming that such Holder is not an Affiliate of the Company or Parent Guarantor, acquires the New Securities in the ordinary course of such Holder’s business, has no arrangements with any person to participate in the distribution of the New Securities and is not prohibited by any law or policy of the Commission from participating in the Registered Exchange Offer) to trade such New Securities from and after their receipt without any limitations or restrictions under the Securities Act and without material restrictions under the securities laws of a substantial proportion of the several states of the United States. The Company and the Parent Guarantor shall use their reasonable best efforts to complete the Registered Exchange Offer not later than 45 days after the Exchange Offer Registration Statement becomes effective.

(c) In connection with the Registered Exchange Offer, if an Exchange Offer Registration Statement is required to be filed and becomes effective pursuant to Section 2(a) above, the Company and Parent Guarantor shall:

(i) mail or cause to be mailed to each Holder a copy of the Prospectus forming part of the Exchange Offer Registration Statement, together with an appropriate letter of transmittal and related documents;

(ii) keep the Registered Exchange Offer open for not less than 20 Business Days after the date notice thereof is mailed to the Holders (or, in each case, longer if required by applicable law);

(iii) use their commercially reasonable efforts to keep the Exchange Offer Registration Statement continuously effective under the Securities Act, supplemented and amended as required, to ensure that it is available for sales of New Securities by Exchanging Dealers during the Exchange Offer Registration Period;

(iv) utilize the services of a depository for the Registered Exchange Offer with an address in the Borough of Manhattan in New York City, which may be the Trustee or an Affiliate of the Trustee;

(v) permit Holders to withdraw tendered Securities at any time prior to the close of business, New York time, on the last Business Day on which the Registered Exchange Offer is open;

(vi) prior to effectiveness of the Exchange Offer Registration Statement, provide a supplemental letter to the Commission (A) stating that the Company and Parent Guarantor are conducting the Registered Exchange Offer in reliance on the position of the Commission in Exxon Capital Holdings Corporation (pub. avail. May 13, 1988), Morgan Stanley and Co., Inc. (pub. avail. June 5, 1991); and (B) including a representation that the Company and Parent Guarantor have not entered into any arrangement or understanding with any person to distribute the New Securities to be received in the Registered Exchange Offer and that, to the best knowledge of the Company and Parent Guarantor, each Holder participating in the Registered Exchange Offer is acquiring the New Securities in the ordinary course of business and has no arrangement or understanding with any person to participate in the distribution of the New Securities; and

(vii) comply in all respects with all applicable laws.

(d) As soon as practicable after the close of the Registered Exchange Offer, the Company and Parent Guarantor shall:

(i) accept for exchange all Securities tendered and not validly withdrawn pursuant to the Registered Exchange Offer;

(ii) deliver to the Trustee for cancellation in accordance with Section 4(s) all Securities so accepted for exchange; and

(iii) cause the Trustee promptly to authenticate and deliver to each Holder of Securities a principal amount of New Securities equal to the principal amount of the Securities of such Holder so accepted for exchange.

(e) Each Holder hereby acknowledges and agrees that any broker-dealer and any such Holder using the Registered Exchange Offer to participate in a distribution of the New Securities (x) could not under Commission policy as in effect on the date of this Agreement rely on the position of the Commission in Exxon Capital Holdings Corporation (pub. avail. May 13, 1988) and Morgan Stanley and Co., Inc. (pub. avail. June 5, 1991), as interpreted in the Commission's letter to Shearman & Sterling dated July 2, 1993 and similar no-action letters; and (y) must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any secondary resale transaction, which must be covered by an effective registration statement containing the selling security holder information required by Item 507 or 508, as applicable, of Regulation S-K under the Securities Act if the resales are of New Securities obtained by such Holder in exchange for Securities acquired by such Holder directly from the Company, Parent Guarantor or their respective Affiliates. Accordingly, each Holder

participating in the Registered Exchange Offer shall be required to represent to the Company and Parent Guarantor that, at the time of the consummation of the Registered Exchange Offer:

(i) any New Securities to be received by such Holder will be acquired in the ordinary course of business;

(ii) such Holder will have no arrangement or understanding with any person to participate in the distribution of the Securities or the New Securities within the meaning of the Securities Act; and

(iii) such Holder is not an Affiliate of the Company or Parent Guarantor.

(f) If any Initial Purchaser determines that it is not eligible to participate in the Registered Exchange Offer with respect to the exchange of Securities constituting any portion of an unsold allotment, at the request of such Initial Purchaser, the Company and Parent Guarantor shall issue and deliver to such Initial Purchaser or the person purchasing New Securities registered under a Shelf Registration Statement as contemplated by Section 3 hereof from such Initial Purchaser, in exchange for such Securities, a like principal amount of New Securities. The Company and Parent Guarantor shall use their commercially reasonable efforts to cause the CUSIP Service Bureau to issue the same CUSIP number for such New Securities as for New Securities issued pursuant to the Registered Exchange Offer.

3. Shelf Registration. (a) If (i) due to any change in law or applicable interpretations thereof by the Commission's staff, the Company and Parent Guarantor determine upon advice of their outside counsel that they are not permitted to effect the Registered Exchange Offer as contemplated by Section 2 hereof; (ii) for any other reason the Registered Exchange Offer is not completed within 45 days following the date the Exchange Offer Registration Statement becomes effective; (iii) any Initial Purchaser so requests (a "Shelf Request") with respect to Securities that are not eligible to be exchanged for New Securities in the Registered Exchange Offer and that are held by it following consummation of the Registered Exchange Offer; (iv) any Holder (other than an Initial Purchaser) is not eligible to participate in the Registered Exchange Offer; or (v) in the case of any Initial Purchaser that participates in the Registered Exchange Offer or acquires New Securities pursuant to Section 2(f) hereof, such Initial Purchaser does not receive Freely Tradable Securities in exchange for Securities constituting any portion of an unsold allotment (it being understood that (x) the requirement that an Initial Purchaser deliver a Prospectus containing the information required by Item 507 or 508 of Regulation S-K under the Securities Act in connection with sales of New Securities acquired in exchange for such Securities shall result in such New Securities being not Freely Tradeable Securities; and (y) the requirement that an Exchanging Dealer deliver a Prospectus in connection with sales of New Securities acquired in the Registered Exchange Offer in exchange for Securities acquired as a result of market-making activities or other trading activities shall not result in such New Securities being not "freely tradeable"), the Company and Parent Guarantor shall effect a Shelf Registration Statement in accordance with subsection (b) below.

(b) If a Shelf Registration Statement is required to be filed and becomes effective pursuant to Section 3(a), (i) the Company and Parent Guarantor shall, as promptly as practicable, file the Shelf Registration Statement with the Commission and shall use their

reasonable best efforts to cause the Shelf Registration Statement to become effective under the Securities Act within 90 days after so required or requested by the Holders thereof from time to time in accordance with the methods of distribution elected by such Holders and set forth in such Shelf Registration Statement; provided, however, that no Holder (other than an Initial Purchaser) shall be entitled to have the Securities held by it covered by such Shelf Registration Statement unless such Holder agrees in writing to be bound by all of the provisions of this Agreement applicable to such Holder; and provided further, that with respect to New Securities received by an Initial Purchaser in exchange for Securities constituting any portion of an unsold allotment, the Company and Parent Guarantor may, if permitted by current interpretations by the Commission's staff, file a post-effective amendment to the Exchange Offer Registration Statement containing the information required by Item 507 or 508 of Regulation S-K, as applicable, in satisfaction of their obligations under this subsection with respect thereto, and any such Exchange Offer Registration Statement, as so amended, shall be referred to herein as, and governed by the provisions herein applicable to, a Shelf Registration Statement.

(ii) The Company and Parent Guarantor shall use their reasonable best efforts to keep the Shelf Registration Statement continuously effective, supplemented and amended as required by the Securities Act, in order to permit the Prospectus forming part thereof to be usable by Holders for a period (the "Shelf Registration Period") from the date the Shelf Registration Statement becomes effective until the earlier of (A) the date upon which the Securities cease to be Registrable Securities or (B) the date upon which all the Securities or New Securities, as applicable, covered by the Shelf Registration Statement have been sold pursuant to the Shelf Registration Statement. The Company and Parent Guarantor shall be deemed not to have used their reasonable best efforts to keep the Shelf Registration Statement effective during the Shelf Registration Period if they voluntarily take any action that would result in Holders of Securities covered thereby not being able to offer and sell such Securities at any time during the Shelf Registration Period, unless such action is (x) required by applicable law or otherwise undertaken by the Company and Parent Guarantor in good faith and for valid business reasons (not including avoidance of the Company's and Parent Guarantor's obligations hereunder), including the acquisition or divestiture of assets, and (y) permitted pursuant to Section 4(k)(ii) hereof.

(iii) The Company and Parent Guarantor shall cause the Shelf Registration Statement and the related Prospectus and any amendment or supplement thereto, as of the effective date of the Shelf Registration Statement or such amendment or supplement, (A) to comply in all material respects with the applicable requirements of the Securities Act; and (B) not to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein (in the case of the Prospectus, in the light of the circumstances under which they were made) not misleading.

4. Additional Registration Procedures. In connection with any Shelf Registration Statement and, to the extent applicable, any Exchange Offer Registration Statement, the following provisions shall apply.

(a) The Company and Parent Guarantor shall:

(i) furnish to each of the Initial Purchasers and to counsel for the Holders, not less than five Business Days prior to the filing thereof with the Commission, a copy of

any Exchange Offer Registration Statement and any Shelf Registration Statement, and each amendment thereof and each amendment or supplement, if any, to the Prospectus included therein (including all documents incorporated by reference therein after the initial filing) and shall use their commercially reasonable efforts to reflect in each such document, when so filed with the Commission, such comments as the Initial Purchasers reasonably propose;

(ii) include the information set forth in Annex A hereto on the facing page of the Exchange Offer Registration Statement, in Annex B hereto in the forepart of the Exchange Offer Registration Statement in a section setting forth details of the Exchange Offer, in Annex C hereto in the underwriting or plan of distribution section of the Prospectus contained in the Exchange Offer Registration Statement, and in Annex D hereto in the letter of transmittal delivered pursuant to the Registered Exchange Offer;

(iii) if requested by an Initial Purchaser, include the information required by Item 507 or 508 of Regulation S-K, as applicable, in the Prospectus contained in the Exchange Offer Registration Statement; and

(iv) in the case of a Shelf Registration Statement, include the names of the Holders that propose to sell Securities pursuant to the Shelf Registration Statement as selling security holders.

(b) The Company and Parent Guarantor shall use their commercially reasonable efforts to ensure that:

(i) any Registration Statement and any amendment thereto and any Prospectus forming part thereof and any amendment or supplement thereto complies in all material respects with the Securities Act; and

(ii) any Registration Statement and any amendment thereto does not, when it becomes effective, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

(c) The Company and Parent Guarantor shall advise counsel for the Initial Purchasers, the Holders of Securities covered by any Shelf Registration Statement and any Exchanging Dealer under any Exchange Offer Registration Statement that has provided in writing to the Company and Parent Guarantor a telephone or facsimile number and address for notices, and, if requested by any Initial Purchaser or any such Holder or Exchanging Dealer, shall confirm such advice in writing (which notice pursuant to clauses (ii)-(v) hereof shall be accompanied by an instruction to suspend the use of the Prospectus until the Company and Parent Guarantor shall have remedied the basis for such suspension):

(i) when a Registration Statement and any amendment thereto has been filed with the Commission and when the Registration Statement or any post-effective amendment thereto has become effective;

(ii) of any request by the Commission after the effective date for any amendment or supplement to the Registration Statement or the Prospectus or for additional information;

(iii) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the institution of any proceeding for that purpose;

(iv) of the receipt by the Company or Parent Guarantor of any notification with respect to the suspension of the qualification of the securities included therein for sale in any jurisdiction or the institution of any proceeding for such purpose; and

(v) of the happening of any event that requires any change in the Registration Statement or the Prospectus so that, as of such date, they (A) do not contain any untrue statement of a material fact and (B) do not omit to state a material fact required to be stated therein or necessary to make the statements therein (in the case of the Prospectus, in the light of the circumstances under which they were made) not misleading.

(d) The Company and Parent Guarantor shall use their commercially reasonable efforts to obtain the withdrawal of any order suspending the effectiveness of any Registration Statement or the qualification of the securities therein for sale in any jurisdiction.

(e) The Company and Parent Guarantor shall furnish to each Holder of Securities covered by any Shelf Registration Statement, without charge, at least one copy of such Shelf Registration Statement and any post-effective amendment thereto, including all material incorporated therein by reference, and, if the Holder so requests in writing, all exhibits thereto (including exhibits incorporated by reference therein).

(f) The Company and Parent Guarantor shall, during the Shelf Registration Period, deliver to each Holder of Securities covered by any Shelf Registration Statement, without charge, as many copies of the Prospectus (including the preliminary prospectus) included in such Shelf Registration Statement and any amendment or supplement thereto as such Holder may reasonably request. The Company and Parent Guarantor consent to the use of the Prospectus or any amendment or supplement thereto by each of the selling Holders of Securities in connection with the offering and sale of the Securities covered by the Prospectus, or any amendment or supplement thereto, included in the Shelf Registration Statement.

(g) The Company and Parent Guarantor shall furnish to each Exchanging Dealer which so requests, without charge, at least one (1) conformed copy of the Exchange Offer Registration Statement and any post-effective amendment thereto, including all material incorporated by reference therein, and, if the Exchanging Dealer so requests in writing, all exhibits thereto (including exhibits incorporated by reference therein).

(h) The Company and Parent Guarantor shall promptly deliver to each Initial Purchaser, each Exchanging Dealer and each other person required to deliver a Prospectus during the Exchange Offer Registration Period, without charge, as many copies of the Prospectus included in such Exchange Offer Registration Statement and any amendment or supplement thereto as any such person may reasonably request. The Company and Parent Guarantor consent

to the use of the Prospectus or any amendment or supplement thereto by any Initial Purchaser, any Exchanging Dealer and any such other person that may be required to deliver a Prospectus following the Registered Exchange Offer in connection with the offering and sale of the New Securities covered by the Prospectus, or any amendment or supplement thereto, included in the Exchange Offer Registration Statement.

(i) Prior to the Registered Exchange Offer or any other offering of Securities pursuant to any Registration Statement, the Company and Parent Guarantor shall arrange, if necessary, for the qualification of the Securities or the New Securities for sale under the laws of such jurisdictions as any Holder shall reasonably request and shall maintain such qualification in effect so long as required; provided that in no event shall the Company and Parent Guarantor be obligated (A) to qualify to do business in any jurisdiction where they are not then so qualified or to take any action that would subject them to service of process in suits, other than those arising out of the Initial Placement, the Registered Exchange Offer or any offering pursuant to a Shelf Registration Statement, in any such jurisdiction where they are not then so subject or (B) to subject itself to taxation in excess of a nominal amount in respect of doing business in such jurisdiction.

(j) The Company shall cooperate with the Holders of Securities to facilitate the timely preparation and delivery of certificates representing New Securities or Securities to be issued or sold pursuant to any Registration Statement free of any restrictive legends and in such denominations and registered in such names as Holders may request in writing at least three (3) Business Days prior to the closing date of any sales of New Securities.

(k) (i) Upon the occurrence of any event contemplated by subsections (c)(ii) through (v) above, the Company and Parent Guarantor shall promptly (or within the time period provided for by clause (ii) hereof, if applicable) prepare a post-effective amendment to the applicable Registration Statement or an amendment or supplement to the related Prospectus or file any other required document so that, as thereafter delivered to Holders of the securities included therein, the Prospectus will not include an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. In such circumstances, the period of effectiveness of the Exchange Offer Registration Statement provided for in Section 2 shall be extended by the number of days from and including the date of the giving of a notice of suspension pursuant to Section 4(c) to and including the date when the Initial Purchasers, the Holders of the Securities and any known Exchanging Dealer shall have received such amended or supplemented Prospectus pursuant to this Section.

(ii) Upon the occurrence or existence of any pending corporate development or any other material event that, in the reasonable judgment of the Company and Parent Guarantor, makes it appropriate to suspend the availability of a Shelf Registration Statement and the related Prospectus, the Company and Parent Guarantor shall give notice (without notice of the nature or details of such events) to the Holders that the availability of the Shelf Registration is suspended and, upon actual receipt of any such notice, each Holder agrees not to sell any Registrable Securities pursuant to the Shelf Registration until such Holder's receipt of copies of the supplemented or amended

Prospectus provided for in Section 3(i) hereof, or until it is advised in writing by the Company and Parent Guarantor that the Prospectus may be used, and has received copies of any additional or supplemental filings that are incorporated or deemed incorporated by reference in such Prospectus. The period during which the availability of the Shelf Registration and any Prospectus is suspended (the “Deferral Period”) (A) shall not exceed 60 consecutive days, (B) shall not occur more than three (3) times during any calendar year and (C) shall extend the number of days the Shelf Registration or any Prospectus is available by an amount equal to the Deferral Period.

(l) Not later than the effective date of any Registration Statement, the Company and Parent Guarantor shall provide a CUSIP number for the Securities or the New Securities, as the case may be, registered under such Registration Statement and provide the Trustee with printed certificates for such Securities or New Securities, in a form eligible for deposit with The Depository Trust Company.

(m) The Company and Parent Guarantor shall comply in all material respects with all applicable rules and regulations of the Commission and shall make generally available to their security holders an earnings statement satisfying the provisions of Section 11(a) of the Securities Act as soon as practicable after the effective date of the applicable Registration Statement and in any event no later than 45 days after the end of a 12-month period (or 90 days, if such period is a fiscal year) beginning with the first month of the Company’s first fiscal quarter commencing after the effective date of the applicable Registration Statement.

(n) [Reserved].

(o) The Company and Parent Guarantor may require each Holder of securities to be sold pursuant to any Shelf Registration Statement to furnish to the Company and Parent Guarantor such information regarding the Holder and the distribution of such securities as the Company and Parent Guarantor may from time to time reasonably require for inclusion in such Registration Statement. The Company and Parent Guarantor may exclude from such Shelf Registration Statement the Securities of any Holder that fails to furnish such information within a reasonable time after receiving such request.

(p) In the case of any Shelf Registration Statement, upon the request of the Majority Holders, the Company and Parent Guarantor shall enter into customary agreements (including, if requested, an underwriting agreement in customary form) and take all other appropriate actions if any, as the Majority Holders shall reasonably request in order to expedite or facilitate the registration or the disposition of the Securities, and in connection therewith, if an underwriting agreement is entered into, cause the same to contain indemnification provisions and procedures no less favorable than those set forth in Section 6 hereof.

(q) In the case of any Shelf Registration Statement, the Company and Parent Guarantor shall:

(i) make reasonably available for inspection at a location where they are normally kept and during normal business hours by the Majority Holders of Securities to be registered thereunder, any underwriter participating in any disposition pursuant to such Registration Statement, and any attorney, accountant or other agent retained by the Holders or any such underwriter all relevant financial and other records and pertinent corporate documents of the Company and its subsidiaries;

(ii) use their commercially reasonable efforts to cause the Company's officers, directors, employees, accountants and auditors to supply all relevant information reasonably requested by the Holders or any such underwriter, attorney, accountant or agent (each, an "Inspector") in connection with any such Registration Statement as is customary for similar due diligence examinations; provided, however, that such Inspector shall first agree in writing with the Company and Parent Guarantor that any information that is reasonably and in good faith designated by the Company and Parent Guarantor in writing as confidential at the time of delivery of such information shall be kept confidential by such Inspector, unless (1) disclosure of such information is required by court or administrative order or is necessary to respond to inquiries of regulatory authorities, (2) disclosure of such information is required by law (including any disclosure requirements pursuant to federal securities laws in connection with the filing of such Registration Statement or the use of any Prospectus), (3) such information becomes generally available to the public other than as a result of a disclosure or failure to safeguard such information by such person or (4) such information becomes available to such Inspector from a source other than the Company or Parent Guarantor and such source is not known, after due inquiry, by the relevant Holder to be bound by a confidentiality agreement or is not otherwise under a duty of trust to the Company or Parent Guarantor;

(iii) make such representations and warranties to the Holders of Securities registered thereunder and the underwriters, if any, in form, substance and scope as are customarily made by issuers to underwriters in primary underwritten offerings and covering matters including, but not limited to, those set forth in the Purchase Agreement;

(iv) obtain opinions of counsel to the Company and updates thereof (which counsel and opinions (in form, scope and substance) shall be reasonably satisfactory to the Managing Underwriters, if any) addressed to each selling Holder and the underwriters, if any, covering such matters as are customarily covered in opinions requested in underwritten offerings and such other matters as may be reasonably requested by such Holders and underwriters;

(v) obtain "comfort" letters and updates thereof from the independent certified public accountants of the Company (and, if necessary, any other independent certified public accountants of any subsidiary of the Company or of any business acquired by the Company or any Guarantor for which financial statements and financial data are, or are required to be, included in the Registration Statement), addressed to each selling Holder of Securities registered thereunder and the underwriters, if any, in customary form and covering matters of the type customarily covered in "comfort" letters in connection with primary underwritten offerings; and

(vi) deliver such documents and certificates as may be reasonably requested by the Majority Holders or the Managing Underwriters, if any, including those to evidence

compliance with Section 4(k) and with any customary conditions contained in the underwriting agreement or other agreement entered into by the Company.

The actions set forth in clauses (iii), (iv), (v) and (vi) of this paragraph (q) shall be performed at (A) the effectiveness of such Registration Statement and each post-effective amendment thereto; and (B) each closing under any underwriting or similar agreement as and to the extent required thereunder.

(r) If a Registered Exchange Offer is to be consummated, upon delivery of the Securities by Holders to the Company (or to such other person as directed by the Company) in exchange for the New Securities, the Company and Parent Guarantor shall mark, or caused to be marked, on the Securities so exchanged that such Securities are being cancelled in exchange for the New Securities. In no event shall the Securities be marked as paid or otherwise satisfied.

(s) The Company and Parent Guarantor shall use their commercially reasonable efforts if the Securities have been rated prior to the initial sale of such Securities, to confirm such ratings will apply to the Securities or the New Securities, as the case may be, covered by a Registration Statement.

(t) In the event that any broker-dealer shall underwrite any Securities or participate as a member of an underwriting syndicate or selling group or "assist in the distribution" (within the meaning of FINRA Rules) thereof, whether as a Holder of such Securities or as an underwriter, a placement or sales agent or a broker or dealer in respect thereof, or otherwise, the Company and Parent Guarantor shall assist such broker-dealer in complying with the FINRA Rules.

(u) The Company and Parent Guarantor shall use their commercially reasonable efforts to take all other steps necessary to effect the registration of the Securities or the New Securities, as the case may be, covered by a Registration Statement.

5. Registration Expenses. The Company and Parent Guarantor shall bear all expenses incurred in connection with the performance of their obligations under Sections 2, 3 and 4 hereof and, in the event of any Shelf Registration Statement, will reimburse the Holders for the reasonable fees and disbursements of one firm or counsel (which shall initially be Cahill Gordon & Reindel LLP, but which may be another nationally recognized law firm experienced in securities matters designated by the Majority Holders) to act as counsel for the Holders in connection therewith, and, in the case of any Exchange Offer Registration Statement, will reimburse the Initial Purchasers for the reasonable fees and disbursements of counsel acting in connection therewith in each case which counsel shall be approved by the Company (such approval not to be unreasonably withheld). Each Holder shall pay all expenses of its counsel other than as set forth in the preceding sentence, underwriting discounts and commissions and transfer taxes, if any, relating to the sale or disposition of such Holder's Securities or New Securities.

6. Indemnification and Contribution. (a) The Company and Parent Guarantor agree to indemnify and hold harmless each Holder of Securities or New Securities, as the case may be, covered by any Registration Statement, each Initial Purchaser and, with respect

to any Prospectus delivery as contemplated in Section 4(h) hereof, each Exchanging Dealer, the directors, officers, employees, Affiliates and agents of each such Holder, Initial Purchaser or Exchanging Dealer and each person who controls any such Holder, Initial Purchaser or Exchanging Dealer within the meaning of either the Securities Act or the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act, the Exchange Act or other federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement as originally filed or in any amendment thereof, or in any preliminary Prospectus or the Prospectus, or in any amendment thereof or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein (in the case of any preliminary Prospectus or the Prospectus, in the light of the circumstances under which they were made) not misleading, and agree to reimburse each such indemnified party, as incurred, for any legal or other expenses reasonably incurred by it in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the Company and Parent Guarantor will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished to the Company and Parent Guarantor by or on behalf of the party claiming indemnification specifically for inclusion therein. This indemnity agreement shall be in addition to any liability that the Company and Parent Guarantor may otherwise have.

The Company and Parent Guarantor also agree to indemnify as provided in this Section 6(a) or contribute as provided in Section 6(d) hereof to Losses of each underwriter, if any, of Securities or New Securities, as the case may be, registered under a Shelf Registration Statement, their directors, officers, employees, Affiliates or agents and each person who controls such underwriter on substantially the same basis as that of the indemnification of the Initial Purchasers and the selling Holders provided in this Section 6(a) and shall, if requested by any Holder, enter into an underwriting agreement reflecting such agreement, as provided in Section 4(p) hereof.

(b) Each Holder of securities covered by a Registration Statement (including each Initial Purchaser that is a Holder, in such capacity) severally and not jointly agrees to indemnify and hold harmless the Company and Parent Guarantor, each of their respective directors and officers who sign such Registration Statement and each person who controls any Guarantor within the meaning of either the Securities Act or the Exchange Act, to the same extent as the foregoing indemnity from the Company and Parent Guarantor to each such Holder, but only with reference to written information relating to such Holder furnished to the Company and Parent Guarantor by or on behalf of such Holder specifically for inclusion in the documents referred to in the foregoing indemnity. This indemnity agreement will be in addition to any liability that any such Holder may otherwise have.

(c) Promptly after receipt by an indemnified party under this Section 6 or notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section, notify the indemnifying party in writing of the commencement thereof; but the failure so to notify the indemnifying party

(i) will not relieve it from liability under paragraph (a) or (b) above unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the indemnifying party of substantial rights and defenses; and (ii) will not, in any event, relieve the indemnifying party from any obligations to any indemnified party other than the indemnification obligation provided in paragraph (a) or (b) above. The indemnifying party shall be entitled to appoint counsel (including local counsel) of the indemnifying party's choice at the indemnifying party's expense to represent the indemnified party in any action for which indemnification is sought (in which case the indemnifying party shall not thereafter be responsible for the fees and expenses of any separate counsel, other than local counsel if not appointed by the indemnifying party, retained by the indemnified party or parties except as set forth below); provided, however, that such counsel shall be satisfactory to the indemnified party. Notwithstanding the indemnifying party's election to appoint counsel (including local counsel) to represent the indemnified party in an action, the indemnified party shall have the right to employ separate counsel (including local counsel), and the indemnifying party shall bear the reasonable fees, costs and expenses of such separate counsel if (i) the use of counsel chosen by the indemnifying party to represent the indemnified party would present such counsel with a conflict of interest (based on the advice of counsel to the indemnified person); (ii) the actual or potential defendants in, or targets of, any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded (based on the advice of counsel to the indemnified person) that there may be legal defenses available to it and/or other indemnified parties that are different from or additional to those available to the indemnifying party; (iii) the indemnifying party shall not have employed counsel reasonably satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of the institution of such action; or (iv) the indemnifying party shall authorize the indemnified party to employ separate counsel at the expense of the indemnifying party. An indemnifying party will not, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent is consented to by the indemnifying party, as applicable (which consent shall not be unreasonably withheld) and includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding.

(d) In the event that the indemnity provided in paragraph (a) or (b) of this Section is unavailable to or insufficient to hold harmless an indemnified party for any reason, then each applicable indemnifying party shall have a joint and several obligation to contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending any loss, claim, liability, damage or action) (collectively "Losses") (other than by virtue of the failure of an indemnified party to notify the indemnifying party of its right to indemnification pursuant to paragraph (a) or (b) of this Section 8, where such failure materially prejudices the indemnifying party (through the forfeiture of substantial rights or defenses)), each indemnifying party, in order to provide for just and equitable contribution, shall contribute to the amount paid or payable by such indemnified party as a result of such Losses, in such proportion as is appropriate to reflect the relative benefits received by such indemnifying party, on the one hand, and such indemnified party, on the other hand, from the Initial Placement and the Registration Statement which resulted in such Losses; provided, however, that in no case shall any Initial Purchaser be

responsible, in the aggregate, for any amount in excess of the purchase discount or commission applicable to such Security, or in the case of a New Security, applicable to the Security that was exchangeable into such New Security, as set forth in the Final Memorandum, nor shall any underwriter be responsible for any amount in excess of the underwriting discount or commission applicable to the securities purchased by such underwriter under the Registration Statement which resulted in such Losses. If the allocation provided by the immediately preceding sentence is unavailable for any reason, the indemnifying party and the indemnified party shall contribute in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of such indemnifying party, on the one hand, and such indemnified party, on the other hand, in connection with the statements or omissions which resulted in such Losses as well as any other relevant equitable considerations. Benefits received by the Company shall be deemed to be equal to the aggregate principal amount of Notes issued in the Initial Placement as set forth in the Final Memorandum. Benefits received by the Initial Purchasers shall be deemed to be equal to the total fees received in the Initial Placement, and benefits received by any other Holders shall be deemed to be equal to the value of receiving Securities or New Securities, as applicable, registered under the Securities Act. Benefits received by any underwriter shall be deemed to be equal to the total underwriting discounts and commissions, as set forth on the cover page of the Prospectus forming a part of the Registration Statement which resulted in such Losses. Relative fault shall be determined by reference to, among other things, whether any untrue or any alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information provided by the indemnifying party, on the one hand, or by the indemnified party, on the other hand, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The parties agree that it would not be just and equitable if contribution were determined by pro rata allocation (even if the Holders were treated as one entity for such purpose) or any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this paragraph (d), no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section, each person who controls a Holder within the meaning of either the Securities Act or the Exchange Act and each director, officer, employee and agent of such Holder shall have the same rights to contribution as such Holder, and each person who controls the Company or any Guarantor within the meaning of either the Securities Act or the Exchange Act, each officer of the Company or any Guarantor who shall have signed the Registration Statement and each director of the Company or any Guarantor shall have the same rights to contribution as the Company and Parent Guarantor, subject in each case to the applicable terms and conditions of this paragraph (d).

(e) The provisions of this Section will remain in full force and effect, regardless of any investigation made by or on behalf of any Holder or the Company and Parent Guarantor or any of the indemnified persons referred to in this Section 6, and will survive the sale by a Holder of securities covered by a Registration Statement.

7. Underwritten Registrations. (a) If any of the Securities or New Securities, as the case may be, covered by any Shelf Registration Statement are to be sold in an underwritten offering, the Managing Underwriters shall be selected by the Majority Holders, subject to the consent of the Company (which shall not be unreasonably withheld), and the Holders of Securities or New Securities covered by such Shelf Registration Statement shall be responsible for all underwriting commissions and discounts.

(b) No person may participate in any underwritten offering pursuant to any Shelf Registration Statement, unless such person (i) agrees to sell such person's Securities or New Securities, as the case may be, on the basis reasonably provided in any underwriting arrangements approved by the persons entitled hereunder to approve such arrangements; and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements.

8. Registration Defaults.

(a) In the event that (i) an Exchange Offer Registration Statement is required pursuant to Section 2(a) and (x) such Exchange Offer Registration Statement does not become effective on or prior to the Registration Trigger Date or (y) the Exchange Offer is not completed within 45 days after the date on which the Exchange Offer Registration Statement becomes effective, or (ii) a Shelf Registration Statement is required in accordance with Section 3(a) and such Shelf Registration Statement (x) does not become effective on or prior to the 90th day following (A) the date of such determination, in the case of a Shelf Registration Statement required pursuant to Section 3(a)(i), (B) such date, in the case of a Shelf Registration Statement required pursuant to Section 3(a)(ii), (C) the date of such Shelf Request, in the case of a Shelf Registration Statement required pursuant to Section 3(a)(iii), or (D) the Registration Trigger Date, in the case of a Shelf Registration Statement required pursuant to Section 3(a)(iv) or Section 3(a)(v), or (y) becomes effective but ceases to be effective or the corresponding Prospectus ceases to be usable at any time during the Shelf Registration Period, and such failure to remain effective or usable exists for more than 60 days (whether or not consecutive) in any 12-month period (any event referred to in the foregoing clauses (i) or (ii) a "Registration Default"), then, in each case, the interest rate on the Securities will be increased by 0.25% per annum for the first 90-day period immediately following such Registration Default and (ii) an additional 0.25% per annum with respect to each subsequent 90-day period, up to a maximum of 1.00% per annum, in each case until the earlier of the date such Registration Default is cured or the Securities become Freely Tradable Securities. Any amounts payable under this paragraph shall also be deemed "Additional Interest" for purposes of this Agreement.

(b) The Company shall notify the Trustee within five business days after each and every date on which an event occurs in respect of which Additional Interest is required to be paid (an "Event Date"). Any Additional Interest due shall be payable on each interest payment date to the Holder of Notes with respect to which Additional Interest is due and owing. Each obligation to pay Additional Interest shall be deemed to accrue from and including the day following the applicable Event Date.

9. No Inconsistent Agreements. The Company and Parent Guarantor have not entered into, and agree not to enter into, any agreement with respect to their securities that is inconsistent with the rights granted to the Holders herein or that otherwise conflicts with the provisions hereof.

10. Amendments and Waivers. The provisions of this Agreement may not be amended, qualified, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless the Company and Parent Guarantor have obtained the written consent of the Holders of a majority of the aggregate principal amount of Notes outstanding; provided that, with respect to any matter that directly or indirectly affects the rights of any Initial Purchaser hereunder, the Company and Parent Guarantor shall obtain the written consent of each such Initial Purchaser against which such amendment, qualification, supplement, waiver or consent is to be effective; provided, further, that no amendment, qualification, supplement, waiver or consent with respect to Section 8 hereof shall be effective as against any Holder of Registered Securities unless consented to in writing by such Holder; and provided, further, that the provisions of this Article 10 may not be amended, qualified, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless the Company and Parent Guarantor have obtained the written consent of the Initial Purchasers and each Holder. Notwithstanding the foregoing (except the foregoing provisos), a waiver or consent to departure from the provisions hereof with respect to a matter that relates exclusively to the rights of Holders whose Securities or New Securities, as the case may be, are being sold pursuant to a Registration Statement and that does not directly or indirectly affect the rights of other Holders may be given by the Majority Holders, determined on the basis of Securities or New Securities, as the case may be, being sold rather than registered under such Registration Statement.

11. Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, first-class mail, telex, telecopier or air courier guaranteeing overnight delivery:

(a) if to a Holder, at the most current address given by such holder to the Company in accordance with the provisions of this Section 11, which address initially is, with respect to each Holder, the address of such Holder maintained by the Registrar under the Indenture;

(b) if to the Initial Purchasers, initially at the address or addresses set forth in the Purchase Agreement; and

(c) if to the Company, initially at its address set forth in the Purchase Agreement.

All such notices and communications shall be deemed to have been duly given when received.

The Initial Purchasers or the Company by notice to the other parties may designate additional or different addresses for subsequent notices or communications.

12. Remedies. Each Holder, in addition to being entitled to exercise all rights provided to it herein, in the Indenture or in the Purchase Agreement or granted by law, including recovery of liquidated or other damages, will be entitled to specific performance of its rights under this Agreement. The Company and Parent Guarantor agree that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by them of the provisions of this Agreement and hereby agree to waive in any action for specific performance the defense that a remedy at law would be adequate.

13. Successors. This Agreement shall inure to the benefit of and be binding upon the parties hereto, their respective successors and assigns, including, without the need for an express assignment or any consent by the Company and Parent Guarantor thereto, subsequent Holders of Securities and the New Securities, and the indemnified persons referred to in Section 6 hereof. The Company and Parent Guarantor hereby agree to extend the benefits of this Agreement to any Holder of Securities and the New Securities, and any such Holder may specifically enforce the provisions of this Agreement as if an original party hereto.

14. Counterparts. This Agreement may be signed in one or more counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.

15. Headings. The section headings used herein are for convenience only and shall not affect the construction hereof.

16. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed in the State of New York. The parties hereto each hereby waive any right to trial by jury in any action, proceeding or counterclaim arising out of or relating to this Agreement.

17. Severability. In the event that any one of more of the provisions contained herein, or the application thereof in any circumstances, is held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not be in any way impaired or affected thereby, it being intended that all of the rights and privileges of the parties shall be enforceable to the fullest extent permitted by law.

18. Securities Held by the Company, etc. Whenever the consent or approval of Holders of a specified percentage of principal amount of Securities or New Securities is required hereunder, Securities or New Securities, as applicable, held by the Company or its Affiliates (other than subsequent Holders of Securities or New Securities if such subsequent Holders are deemed to be Affiliates solely by reason of their holdings of such Securities or New Securities) shall not be counted in determining whether such consent or approval was given by the Holders of such required percentage.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this letter and your acceptance shall represent a binding agreement between the Company, Parent Guarantor and the Initial Purchasers.

Very truly yours,

HARRAH'S OPERATING COMPANY, INC.

By: /s/ Jonathan S. Halkyard
Name: Jonathan S. Halkyard
Title: Senior Vice President
Chief Financial Officer & Treasurer

HARRAH'S ENTERTAINMENT, INC.

By: /s/ Jonathan S. Halkyard
Name: Jonathan S. Halkyard
Title: Senior Vice President
Chief Financial Officer & Treasurer

The foregoing Agreement is hereby confirmed and accepted as of the date first above written.

J.P. MORGAN SECURITIES INC.
BANC OF AMERICA SECURITIES LLC
CITIGROUP GLOBAL MARKETS INC.
CREDIT SUISSE SECURITIES (USA) LLC
DEUTSCHE BANK SECURITIES INC.

By: J.P. MORGAN SECURITIES INC.

By: /s/ Jack D. Smith
Name: Jack D. Smith
Title: Executive Director

For itself, the other Representatives and the other Initial Purchasers.

ANNEX A

Each broker-dealer that receives new securities for its own account pursuant to the Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such new securities. The Letter of Transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new securities received in exchange for securities where such securities were acquired by such broker-dealer as a result of market-making activities or other trading activities. The company has agreed that, starting on the expiration date and ending on the close of business one year after the expiration date, it will make this prospectus available to any broker-dealer for use in connection with any such resale. See “Plan of Distribution”.

ANNEX B

Each broker-dealer that receives new securities for its own account in exchange for securities, where such securities were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such new securities. See "Plan of Distribution".

ANNEX C PLAN OF DISTRIBUTION

Each broker-dealer that receives new securities for its own account pursuant to the Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such new securities. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new securities received in exchange for securities where such securities were acquired as a result of market-making activities or other trading activities. The company has agreed that, starting on the expiration date and ending on the close of business one year after the expiration date, it will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale. In addition, until _____, _____, all dealers effecting transactions in the new securities may be required to deliver a prospectus.

The company will not receive any proceeds from any sale of new securities by brokers-dealers. New securities received by broker-dealers for their own account pursuant to the Exchange Offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the new securities or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer and/or the purchasers of any such new securities. Any broker-dealer that resales new securities that were received by it for its own account pursuant to the Exchange Offer and any broker or dealer that participates in a distribution of such new securities may be deemed to be an “underwriter” within the meaning of the Securities Act and any profit of any such resale of new securities and any commissions or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The Letter of Transmittal states that by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act.

For a period of one year after the expiration date, the company will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests such documents in the Letter of Transmittal. The company has agreed to pay all expenses incident to the Exchange Offer (including the expenses of one counsel for the holder of the securities) other than commissions or concessions of any brokers or dealers and will indemnify the holders of the securities (including any broker-dealers) against certain liabilities, including liabilities under the Securities Act.

[If applicable, add information required by Regulation S-K Items 507 and/or 508.]

ANNEX D

Rider A

PLEASE FILL IN YOUR NAME AND ADDRESS BELOW IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO.

Name: _____
Address: _____

Rider B

If the undersigned is not a broker-dealer, the undersigned represents that it acquired the New Securities in the ordinary course of its business, it is not engaged in, and does not intend to engage in, a distribution of New Securities and it has no arrangements or understandings with any person to participate in a distribution of the New Securities. If the undersigned is a broker-dealer that will receive New Securities for its own account in exchange for Securities, it acknowledges that it will deliver a prospectus in connection with any resale of such New Securities; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act.

JOINDER AND SUPPLEMENT
to
INTERCREDITOR AGREEMENT

Reference is made to that certain Intercreditor Agreement, dated as of December 24, 2008 and supplemented as of April 15, 2009 and June 10, 2009 (as supplemented on the date hereof through the execution and delivery of this Agreement and as the same may be further amended, restated, supplemented or otherwise modified from time to time, the “Intercreditor Agreement”), among Bank of America, N.A., as Credit Agreement Agent and each Other First Priority Lien Obligations Agent from time to time party thereto, each in its capacity as First Lien Agent, U.S. Bank National Association, as Trustee and each collateral agent for any Future Second Lien Indebtedness from time to time party thereto, each in its capacity as Second Priority Agent (attached hereto as Exhibit A). Capitalized terms used but not defined herein shall have the meanings assigned in the Intercreditor Agreement.

This Joinder and Supplement to the Intercreditor Agreement (this “Agreement”), dated as of September 11, 2009 (the “Effective Date”), by and among (i) U.S. Bank National Association, as trustee (the “New Trustee”) pursuant to a second supplemental indenture to be entered into as of the date hereof (the “Second Supplemental Indenture”) among Harrah’s Operating Company, Inc. (“HOC”), Harrah’s Entertainment, Inc. (“HET”) and U.S. Bank National Association, as trustee (the “Indenture Trustee”), that supplements the indenture, dated as of June 10, 2009 (the “Base Indenture”), by and among Harrah’s Escrow Corporation (“Escrow Corp.”), Harrah’s Operating Escrow LLC (together with Escrow Corp., the “Escrow Issuers”), HET, as guarantor, and the Indenture Trustee as supplemented by the supplemental indenture, dated June 10, 2009 (the “First Supplemental Indenture”) and, together with the Second Supplemental Indenture and the Base Indenture, the “First Lien Indenture”) among the Escrow Issuers, HOC and the Indenture Trustee, pursuant to which HOC assumed the obligations of the Escrow Issuers under the Base Indenture, (ii) U.S. Bank National Association, as Trustee under the Intercreditor Agreement, (iii) Bank of America, N.A., as Credit Agreement Agent under the Intercreditor Agreement, (iv) U.S. Bank National Association as a Second Priority Agent under the Intercreditor Agreement, and (v) any other First Lien Agent and Second Priority Agent from time to time party to the Intercreditor Agreement, has been entered into to record the accession of the New Trustee as an Other First Priority Lien Obligations Agent under the Intercreditor Agreement on behalf of the holders of the 11.25% Senior Secured Notes due 2017 (the “New Notes”) issued pursuant to the First Lien Indenture.

The parties to this Agreement hereby agree as follows:

A. The New Trustee agrees to become, with immediate effect, a party to and agrees to be bound by the terms of the Intercreditor Agreement as an Other First Priority Lien Obligations Agent, as if it had originally been party to the Intercreditor Agreement as a First Lien Agent.

B. The Obligations under the New Notes, the First Lien Indenture and any other document or agreement entered into pursuant thereto are designated as Other First Priority Lien Obligations. The Lien on the Common Collateral securing such Other First Priority Lien Obligations shall have priority over and be senior in all respects to all Liens on the Common Collateral securing any Second Priority Claims on the terms set forth in the Intercreditor Agreement and shall be equal and ratable with all Liens on the Common Collateral securing any other Senior Lender Claims.

C. The New Trustee confirms that its address for notices pursuant to the Intercreditor Agreement is as follows:

U.S. Bank National Association
EP-MN-WS3C, 60 Livingston Avenue
St. Paul, MN 55107-1419
Telephone: (651) 495-3909
Facsimile: (651) 495-8097
Attn: Corporate Trust Services,
Raymond S. Haverstock

D. Each party to this Agreement (other than the New Trustee) confirms the acceptance of the New Trustee as an Other First Priority Lien Obligations Agent for purposes of the Intercreditor Agreement.

E. Except as expressly provided herein, in the Intercreditor Agreement or in any Other First Priority Lien Obligations Documents, the New Trustee is acting in the capacity of Other First Priority Lien Obligations Agent solely with respect to the Senior Lender Claims owed to the New Trustee and the holders of the New Notes issued pursuant to the First Lien Indenture. For the avoidance of doubt, the provisions of Article VII of the First Lien Indenture applicable to the New Trustee thereunder shall also apply to the New Trustee acting under or in connection with the Intercreditor Agreement.

F. This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

G. This Agreement may be executed in counterparts, each of which shall constitute an original but all of which when taken together shall constitute a single contract. Delivery of an executed signature page to this Agreement by facsimile transmission shall be as effective as delivery of a manually signed counterpart of this Agreement.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

U.S. BANK NATIONAL ASSOCIATION

as New Trustee and Other First Priority Lien Obligations Agent

By: /s/ Raymond S. Haverstock

Name: Raymond S. Haverstock

Title: Vice President

Acknowledged and Agreed:

HARRAH'S OPERATING COMPANY, INC.

By: /s/ Jonathan S. Halkyard
Name: Jonathan S. Halkyard
Title: Senior Vice President, Chief Financial Officer
and Treasurer

HARRAH'S ENTERTAINMENT, INC.

By: /s/ Jonathan S. Halkyard
Name: Jonathan S. Halkyard
Title: Senior Vice President, Chief Financial Officer
and Treasurer

BANK OF AMERICA, N.A.

as Credit Agreement Agent

By: /s/ John McCusker
Name: John McCusker
Title: Managing Director

U.S. BANK NATIONAL ASSOCIATION

as Trustee

By: /s/ Raymond S. Haverstock
Name: Raymond S. Haverstock
Title: Vice President

U.S. BANK NATIONAL ASSOCIATION

as Second Priority Agent

By: /s/ Raymond S. Haverstock
Name: Raymond S. Haverstock
Title: Vice President

OTHER FIRST LIEN SECURED PARTY CONSENT

September 11, 2009

The undersigned is the Authorized Representative for Persons wishing to become Secured Parties (the "New Secured Parties") under the Amended and Restated Collateral Agreement dated as of January 28, 2008 and as amended and restated as of June 10, 2009 (as heretofore amended and/or supplemented, the "Collateral Agreement" (terms used without definition herein have the meanings assigned to such term by the Collateral Agreement)) among Harrah's Operating Company, Inc. (the "Company"), the Subsidiary Parties party thereto and Bank of America, N.A., as Collateral Agent (the "Agent").

In consideration of the foregoing, the undersigned hereby:

(i) represents that the Authorized Representative has been duly authorized by the New Secured Parties pursuant to Section 11.02(d) of the Base Indenture (as defined herein) to become a party to the First Lien Intercreditor Agreement on behalf of the New Secured Parties under that Indenture, dated as of June 10, 2009 (the "Base Indenture"), by and among Harrah's Escrow Corporation ("Escrow Corp."), Harrah's Operating Escrow LLC (together with Escrow Corp., the "Escrow Issuers"), Harrah's Entertainment, Inc. ("HET"), as guarantor, and U.S. Bank National Association, as trustee (the "Trustee"), as supplemented by a supplemental indenture, dated June 10, 2009, among the Company and the Trustee, pursuant to which the Company assumed the obligations of the Escrow Issuers under the Base Indenture, and a second supplemental indenture, to be entered into as of the date hereof, among the Company, HET and the Trustee (the "New Secured Obligation") and to act as the Authorized Representative for the New Secured Parties;

(ii) acknowledges that the Authorized Representative has received a copy of the Security Documents and the First Lien Intercreditor Agreement;

(iii) appoints and authorizes the Agent to take such action as agent on its behalf and on behalf of all other Secured Parties and to exercise such powers under the Security Documents and First Lien Intercreditor Agreement as are delegated to the Agent by the terms thereof, together with all such powers as are reasonably incidental thereto;

(iv) accepts and acknowledges the terms of the First Lien Intercreditor Agreement applicable to it and the New Secured Parties and agrees to serve as Authorized Representative for the New Secured Parties with respect to the New Secured Obligations and agrees on its own behalf and on behalf of the New Secured Parties to be bound by the terms thereof applicable to holders of Other First Lien Obligations, with all the rights and obligations of a Secured Party thereunder and bound by all the provisions thereof (including, without limitation, Section 2.02(b) thereof) as fully as if it had been a Secured Party on the effective date of the First Lien Intercreditor Agreement and agrees that its address for receiving notices pursuant to the Security Documents and the First Lien Intercreditor Agreement shall be as follows:

U.S. Bank National Association
EP-MN-WS3C
60 Livingston Avenue
St. Paul, MN 55107-1419
Attention: Corporate Trust Services
Raymond S. Haverstock

(v) confirms the authority of the Agent to enter into the Security Documents on its behalf and on behalf of the New Secured Parties and agrees on its own behalf and on behalf of the New Secured Parties to be bound by the terms thereof applicable to it and the New Secured Parties as fully as if it had been a party to each such agreement on behalf of itself and the New Secured Parties.

For the avoidance of doubt, it is acknowledged and agreed that this Other First Lien Secured Party Consent shall constitute a "Security Document" as defined in the Base Indenture.

The Agent, by acknowledging and agreeing to this Other First Lien Secured Party Consent, accepts the appointment set forth in clause (iii) above.

THIS OTHER FIRST LIEN SECURED PARTY CONSENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the undersigned has caused this Other First Lien Secured Party Consent to be duly executed by its authorized officer as of the date and year first set forth above.

U.S. BANK NATIONAL ASSOCIATION, AS AUTHORIZED REPRESENTATIVE

By: /s/ Raymond S. Haverstock
Name: Raymond S. Haverstock
Title: Vice President

ACKNOWLEDGED AND AGREED:

BANK OF AMERICA, N.A.,
AS COLLATERAL AGENT

By: /s/ John McCusker
Name: John McCusker
Title: Managing Director

HARRAH'S OPERATING COMPANY, INC.

By: /s/ Jonathan S. Halkyard
Name: Jonathan S. Halkyard
Title: Senior Vice President,
Chief Financial Officer and Treasurer

OTHER FIRST LIEN SECURED PARTY CONSENT

September 11, 2009

The undersigned is the Authorized Representative for Persons wishing to become Secured Parties (the "New Secured Parties") under the Amended and Restated Guaranty and Pledge Agreement dated as of January 28, 2008 and as amended and restated as of June 10, 2009 (as heretofore amended and/or supplemented, the "Guaranty and Pledge Agreement" (terms used without definition herein have the meanings assigned to such term in the Guaranty and Pledge Agreement)) among Harrah's Entertainment, Inc. and Bank of America, N.A., as Collateral Agent (the "Agent").

In consideration of the foregoing, the undersigned hereby:

(i) represents that the Authorized Representative has been duly authorized by the New Secured Parties pursuant to Section 11.02(d) of the Base Indenture to become a party to the First Lien Intercreditor Agreement on behalf of the New Secured Parties under that Indenture, dated as of June 10, 2009 (the "Base Indenture"), by and among Harrah's Escrow Corporation ("Escrow Corp."), Harrah's Operating Escrow LLC (together with Escrow Corp., the "Escrow Issuers"), Harrah's Entertainment, Inc. ("HET"), as guarantor, and U.S. Bank National Association, as trustee (the "Trustee"), as supplemented by a supplemental indenture, dated June 10, 2009, among Harrah's Operating Company, Inc. (the "Issuer") and the Trustee, pursuant to which the Issuer assumed the obligations of the Escrow Issuers under the Base Indenture, and a second supplemental indenture, to be entered into as of the date hereof, among the Issuer, HET and the Trustee (the "New Secured Obligation") and to act as the Authorized Representative for the New Secured Parties;

(ii) acknowledges that the Authorized Representative has received a copy of the Guaranty and Pledge Agreement and the First Lien Intercreditor Agreement;

(iii) appoints and authorizes the Agent to take such action as agent on its behalf and on behalf of all other Secured Parties and to exercise such powers under the Guaranty and Pledge Agreement and First Lien Intercreditor Agreement as are delegated to the Agent by the terms thereof, together with all such powers as are reasonably incidental thereto;

(iv) accepts and acknowledges the terms of the First Lien Intercreditor Agreement applicable to it and the New Secured Parties and agrees to serve as Authorized Representative for the New Secured Parties with respect to the New Secured Obligations and agrees on its own behalf and on behalf of the New Secured Parties to be bound by the terms thereof applicable to holders of Other First Lien Obligations, with all the rights and obligations of a Secured Party thereunder and bound by all the provisions thereof (including, without limitation, Section 2.02(b) thereof) as fully as if it had been a Secured Party on the effective date of the First Lien Intercreditor Agreement and agrees that its address for receiving notices pursuant to the Guaranty and Pledge Agreement and the First Lien Intercreditor Agreement shall be as follows:

U.S. Bank National Association
EP-MN-WS3C
60 Livingston Avenue
St. Paul, MN 55107-1419
Attention: Corporate Trust Services
Raymond S. Haverstock

(v) confirms the authority of the Agent to enter into the Security Documents on its behalf and on behalf of the New Secured Parties and agrees on its own behalf and on behalf of the New Secured Parties to be bound by the terms thereof applicable to it and the New Secured Parties as fully as if it had been a party to each such agreement on behalf of itself and the New Secured Parties.

For the avoidance of doubt, it is acknowledged and agreed that this Other First Lien Secured Party Consent shall constitute a "Security Document" as defined in the Base Indenture.

The Agent, by acknowledging and agreeing to this Other First Lien Secured Party Consent, accepts the appointment set forth in clause (iii) above.

THIS OTHER FIRST LIEN SECURED PARTY CONSENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the undersigned has caused this Other First Lien Secured Party Consent to be duly executed by its authorized officer as of the date and year first set forth above.

U.S. BANK NATIONAL ASSOCIATION, AS AUTHORIZED REPRESENTATIVE

By: /s/ Raymond S. Haverstock
Name: Raymond S. Haverstock
Title: Vice President

ACKNOWLEDGED AND AGREED:

BANK OF AMERICA, N.A.,
AS COLLATERAL AGENT

By: /s/ John McCusker
Name: John McCusker
Title: Managing Director

HARRAH'S ENTERTAINMENT, INC.

By: /s/ Jonathan S. Halkyard
Name: Jonathan S. Halkyard
Title: Senior Vice President,
Chief Financial Officer and Treasurer