

HARRAHS ENTERTAINMENT INC
Form 4
August 31, 2007

FORM 4

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

OMB APPROVAL

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
SHANKS VIRGINIA E

2. Issuer Name and Ticker or Trading Symbol
HARRAHS ENTERTAINMENT INC [HET]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

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

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)

ONE CAESARS PALACE DRIVE

08/29/2007

Senior Vice President

(Street)

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

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

LAS VEGAS, NV 89109

(City) (State) (Zip)

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

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| Common Stock | 08/29/2007 | 08/29/2007 | S | 12,128 | D \$ 85.5 | 808 | D |
| Common Stock | 08/29/2007 | 08/29/2007 | M | 9,120 | A \$ 64.97 | 9,928 | D |
| Common Stock | 08/29/2007 | 08/29/2007 | D | 9,120 | D \$ 85.5 | 808 | D |
| Common Stock | 08/31/2007 | 08/31/2007 | S | 500 | D \$ 85.73 | 308 | D |
| Common Stock | 08/31/2007 | 08/31/2007 | S | 200 | D \$ 85.74 | 108 | D |

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| | | | | | | | | | |
|--------------|------------|------------|------------------|--------|---|-----------|--------|---|-----------------------|
| Common Stock | 08/31/2007 | 08/31/2007 | S | 108 | D | \$ 85.75 | 0 | D | |
| Common Stock | 08/31/2007 | 08/31/2007 | M | 6,333 | A | \$ 52.585 | 6,333 | D | |
| Common Stock | 08/31/2007 | 08/31/2007 | S ⁽¹⁾ | 6,333 | D | \$ 86 | 0 | D | |
| Common Stock | 08/31/2007 | 08/31/2007 | M | 13,333 | A | \$ 73.95 | 13,333 | D | |
| Common Stock | 08/31/2007 | 08/31/2007 | S ⁽¹⁾ | 13,333 | D | \$ 86 | 0 | D | |
| Common Stock | | | | | | | 5,059 | I | 401(k) ⁽²⁾ |

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

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(9-02)

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

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Option (Right to Buy) | \$ 52.585 | 08/31/2007 | 08/31/2007 | M | 6,333 | ⁽³⁾ | 06/16/2011 | Common Stock | 6,333 |
| Employee Stock Option (Right to Buy) | \$ 73.95 | 08/31/2007 | 08/31/2007 | M | 13,333 | ⁽⁴⁾ | 06/17/2012 | Common Stock | 13,333 |
| Stock Appreciation Right | \$ 64.97 | 08/29/2007 | 08/29/2007 | M | 9,120 | ⁽⁵⁾ | 07/18/2013 | Common Stock | 9,120 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| SHANKS VIRGINIA E ONE CAESARS PALACE DRIVE LAS VEGAS, NV 89109 | | | Senior Vice President | |

Signatures

Virginia E. Shanks by Angela P. Winter,
attorney-in-fact

08/31/2007

Signature of Reporting Person
 Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Reported transaction pursuant to a Rule 10(b)5-1 trading plan adopted by the reporting person on August 30, 2007.
- (2) Held by the Trustees of the Harrah's Entertainment, Inc. Savings and Retirement Plan. Holdings reported as of August 15, 2007 and rounded to nearest share.
- (3) Exercisable in three equal installments on 1/1/2005, 1/1/2006, and 1/1/2007.
- (4) Exercisable in three equal installments on 1/1/2006, 1/1/2007, 1/1/2008.
- (5) Exercisable in three equal installments on 6/30/2007, 6/30/2008 and 6/30/2009.

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