

**SERIES ADJUSTMENTS - 2005-014
 ONN INFORMATION CIRCULAR #874
 February 24, 2005**

Caesars Entertainment (CZR) Pending Merger with Harrah's Entertainment, Inc. (HET)

On Friday, March 11, 2005, the shareholders of Caesars Entertainment (CZR) will vote to approve the proposed merger with Harrah's Entertainment, Inc. (HET).

The Merger: Aggregate Terms

If the merger is approved and consummated, CZR Common Shares will be converted as follows

66.425 of all outstanding CZR Common Shares will be converted into 0.3247 HET Common Shares (Stock Consideration). Cash will be paid in lieu of fractional HET shares

The remaining outstanding CZR Common Shares will be converted into \$17.75 Cash (Cash Consideration)

The Merger: Individual Share Elections

Within the terms of the aggregate merger, individual CZR Shareholders may

elect to receive .3247 Harrah's Entertainment, Inc. Common Shares for each CZR Common Share (Stock Election) or register no preference by not electing to receive the Stock Consideration (Non-Election). Under the terms of the election, shares which are not subject to an effective election will automatically be considered "cash-electing" shares.

The merger is expected to become effective during the second quarter of 2005

Pending Contract Adjustments

Pursuant to Options Clearing Corporation (OCC) by-laws, all outstanding Caesars Entertainment options will be adjusted as follows:

Adjustment Date:	Effective the opening of business day after the merge is consummated
ISE Underlying Symbol	CZR becomes CZX
OPRA Option Symbols:	CZR Becomes CZX
	YVK Becomes YWK
	ODL Becomes ODE
Strike Prices:	No Change
No. Of Contracts:	No Change
Multiplier:	100*(eg., Premium of 1.00 = \$100)
New Deliverable/Contract:	The deliverable for adjusted Caesars Entertainment, Inc. options will be based on the merger consideration which accrues to non-electing CZR Shareholders (stated in terms of a 100-Share CZR deliverable). As mentioned previously, the adjusted deliverable may be cash or a combination of cash and stock

***The foregoing is an unofficial summary of the terms of the Merger, prepared by the ISE for the convenience of its members. ISE accepts no responsibility for the accuracy or completeness of the summary. Members should refer to the proxy statement for the authoritative description of the merger terms and conditions.*

GTC Order Cancellation:

Immediately after the ISE close on the effective date of the merger, all resting orders in the CZR order book will be cancelled.

Questions regarding this release may be directed to Iris Rodriguez at (212) 897-0264