

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

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In the Matter of

HARRAH'S ENTERTAINMENT, INC. AND  
HARRAH'S OPERATING COMPANY, INC.

(Delayed Public Offering)

AMENDED ORDER

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on November 3, 1999 and before the Nevada Gaming Commission ("Commission") on November 18, 1999, at Las Vegas, Nevada; and

THE BOARD AND COMMISSION having considered all information pertinent hereto;

IT IS HEREBY ORDERED BY THE NEVADA GAMING COMMISSION UPON THE RECOMMENDATION OF THE STATE GAMING CONTROL BOARD:

1. THAT the following applications, as amended and supplemented, have been filed:

a. The applications of Harrah's Entertainment, Inc. and Harrah's Operating Company, Inc. for (i) amendments to their previously approved November 19, 1998 Order authorizing a continuous or delayed public offering by them or any affiliated company wholly-owned by them which is or would thereby become a publicly traded corporation ("Affiliate") and (ii) approval for Harrah's Operating Company, Inc. to place restrictions upon the transfer of, and to enter into agreements not to encumber, the equity securities of Rio Hotel & Casino, Inc.

pursuant to a public offering made by Harrah's Entertainment, Inc., Harrah's Operating Company, Inc. or their Affiliate(s), under the continuous or delayed public offering approval; and

b. The application of Rio Hotel & Casino, Inc. to guarantee securities issued by Harrah's Entertainment, Inc., Harrah's Operating Company, Inc. or their Affiliate(s), pursuant to a public offering made by Harrah's Entertainment, Inc., Harrah's Operating Company, Inc. or their Affiliate(s) under the continuous or delayed public offering approval.

2. THAT for a period of one year Harrah's Entertainment, Inc., Harrah's Operating Company, Inc. and their Affiliate(s) are each hereby granted approval to make public offerings, subject the following conditions:

a. That at all times during the one year period, Harrah's Entertainment, Inc. shall timely file all reports required by Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended;

b. That upon filing documents with the United States Securities and Exchange Commission ("SEC") regarding the sale of any securities for which approval would otherwise be required, Harrah's Entertainment, Inc., Harrah's Operating Company, Inc. and their Affiliate(s) shall contemporaneously provide written notice and copies of such documents to the Board's Corporate Securities Division, and shall keep said Division continuously and promptly informed as to the progress of any public offering made hereunder and as to any other event that would have a material effect on Harrah's Entertainment, Inc. or its subsidiaries, which would be subject to reporting on SEC Form 8-K; and

c. That the approval granted may be rescinded without prior notice upon the issuance of any interlocutory stop order by the Chairman of the Board. Said interlocutory stop order, if issued, shall remain in effect until the interlocutory stop order is lifted by the Commission upon such terms as are satisfactory to the Commission.

3. THAT a Commission hereby delegates to the Chairman of the Board the authority to issue interlocutory stop orders for good cause, which shall remain in effect until lifted by the Commission as provided in Paragraph 2(c) above.

4. THAT for a period of one year Harrah's Operating Company, Inc. is hereby granted approval, pursuant to NGC Regulations 15.510.1-4 and 15.585.7-3, as applicable, to place restrictions upon the transfer of, and to enter into agreements not to encumber, the equity securities of Rio Hotel & Casino, Inc., Showboat, Inc., Harrah's Las Vegas, Inc. and Harrah's Laughlin, Inc., pursuant to a public offering made under the approval granted by Paragraph 2 of this Order.

5. THAT for a period of one year Rio Hotel & Casino, Inc. is hereby granted approval, pursuant to NGC Regulation 15.510.1-4, to place restrictions upon the transfer of, and to enter into agreements not to encumber, the equity securities of Rio Properties, Inc. and Rio Leasing, Inc., pursuant to a public offering made under the approval granted by Paragraph 2 of this Order.

6. THAT for a period of one year Showboat, Inc. is hereby granted approval, pursuant to NGC Regulation 15.510.1-4, to place restrictions upon the transfer of, and to enter into agreements not to encumber, the equity securities of Showboat Operating Company, pursuant to a public offering made under the approval granted by Paragraph 2 of this Order.

7. THAT for a period of one year Rio Hotel & Casino, Inc. and Showboat, Inc. are each hereby granted approval, pursuant to NGC Regulation 15.585.7-1, to guarantee securities issued by Harrah's Entertainment, Inc., Harrah's Operating Company, Inc. or their Affiliate(s) pursuant to a public offering made under the approval granted by Paragraph 2 of this Order.

8. THAT for a period of one year Harrah's Operating Company, Inc., Harrah's Las Vegas, Inc., Harrah's Laughlin, Inc., Showboat Operating Company, Rio Properties, Inc. and Rio Leasing, Inc., are each hereby granted approval, pursuant to NGC Regulation 16.100(3), to guarantee securities issued by Harrah's Entertainment, Inc., Harrah's Operating Company, Inc.

or their Affiliate(s) pursuant to a public offering made under the approval granted by Paragraph 2 of this Order, and to hypothecate their assets to secure the payment or performance of obligations evidenced by securities issued by Harrah's Entertainment, Inc., Harrah's Operating Company, Inc. or their Affiliate(s) pursuant to a public offering made under the approval granted by Paragraph 2 of this Order.

ENTERED at Las Vegas, Nevada, this 18<sup>th</sup> day of November 1999.