

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of

APPLICATIONS OF GOLDMAN SACHS & CO. AND GOLDMAN SACHS ASSET
MANAGEMENT, L.P. FOR A WAIVER OF NRS 463.643(4) PURSUANT TO NGC
REGULATIONS 16.010(14) AND 16.430

ORDER

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on June 2, 2004, and before the Nevada Gaming Commission ("Commission") on June 17, 2004 at Carson City, 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 Goldman Sachs & Co. and Goldman Sachs Asset
Management, L.P. (collectively "Goldman Sachs") for a waiver of NRS 463.643(4) as an
institutional investor pursuant to NGC Regulations 16.010(14) and 16.430.

2. THAT Goldman Sachs is hereby granted a waiver of the provisions of NRS
463.643(4), pursuant to NGC Regulations 16.010(14) and 16.430, to beneficially own more than
ten percent (10%), but not more than fifteen percent (15%) of the total number of outstanding

shares of voting securities of Harrah's Entertainment, Inc. The foregoing waiver is expressly conditioned as follows:

a. The waivers may only be utilized for, and are limited to, Goldman Sachs' investment in the voting securities of Harrah's Entertainment, Inc.

b. Goldman Sachs must submit the following information to the Board within thirty (30) days after the end of each quarter:

(1) A record of all sales and/or purchases of voting securities of Harrah's Entertainment, Inc. and the number of shares held at that time.

(2) The name, title and telephone number of the person(s) having direct control over Goldman Sachs holdings of the voting securities of Harrah's Entertainment, Inc.

(3) The name, title and telephone number of the persons serving on the Board of Trustees, if applicable.

(4) A report of all complaints, arrests, indictments or convictions of Goldman Sachs or any of its officers or directors regarding the rules and regulations of the Securities and Exchange Commission and any regulatory agency of any State where it conducts business, or any offense which would constitute a gross misdemeanor or felony if committed in the State of Nevada. The name, position, charge, arresting agency, and a brief description of the event must also be included in the statement.

(5) Any change to the structure and/or operations of Goldman Sachs which could affect its classification as an Institutional Investor as defined by NGC Regulation 16.010(14).

c. The waiver herein granted relates solely to that which was voluntarily sought and received. Goldman Sachs shall not make any representation and shall ensure that neither it nor any of its affiliates or associates, directly or indirectly, represents that Goldman

Sachs has been found suitable as a shareholder of Harrah's Entertainment, Inc. by the State of Nevada.

d. Goldman Sachs shall hold the shares in Harrah's Entertainment, Inc. for investment purposes only as set forth in NGC Regulation 16.430(2) and shall notify the Chairman of the Board within five (5) business days after any decision not to hold the aforesaid voting securities for such purposes.

3. THAT Goldman Sachs shall establish and maintain a compliance program ("Program") to implement and ensure Goldman Sachs compliance with the Nevada Gaming Control Act (the "Act"), the regulations promulgated thereunder (the "Regulations"), and this Order. The Program, as it relates to the applicable requirements of the Act and the Regulations, shall be amended at the request of the Chairman of the Board or his designee. The Program, and any amendments thereto, shall be administratively approved by the Chairman of the Board or his designee.

4. THAT Goldman Sachs shall fund and maintain with the Board a revolving fund in the amount of \$10,000 for the purpose of funding investigative reviews by the Board for compliance with the terms and provisions of this Order or any other Orders relating to waivers of NRS 463.643(4), pursuant to NGC Regulation 16.430. Without limiting the foregoing, the Board shall have the right, without notice, to draw upon the funds of the account for the payment of costs and expenses incurred by the Board and its staff in the surveillance, monitoring and investigative review of all activities of Goldman Sachs and its affiliated entities.

5. THAT the Commission hereby expressly finds that the waivers and exemptions granted herein are consistent with the State policies set forth in NRS 463.0129, 463.489, and 463.622 and the standards set forth in NGC Regulation 16.060.

ENTERED at Carson City, Nevada, this 17th day of June 2004.