

CAESARS ENTERTAINMENT Corp

Form S-4

March 17, 2011

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As filed with the Securities and Exchange Commission on March 17, 2011

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4
REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

CAESARS ENTERTAINMENT CORPORATION

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of

7993
(Primary Standard Industrial

62-1411755
(I.R.S. Employer

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Incorporation or organization)	Classification Code Number)	Identification No.)
	One Caesars Palace Drive	
	Las Vegas, NV 89109	
	(702) 407-6000	

(Address, including zip code, and telephone number, including area code, of Registrant's Principal Executive Offices)

CAESARS ENTERTAINMENT OPERATING COMPANY, INC.

(Exact name of registrant as specified in its charter)

DELAWARE	7993	75-1941623
(State or other jurisdiction of	(Primary Standard Industrial	(I.R.S. Employer
Incorporation or organization)	Classification Code Number)	Identification No.)
	One Caesars Palace Drive	
	Las Vegas, NV 89109	
	(702) 407-6000	

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Michael D. Cohen, Esq.
Vice President and Corporate Secretary
Caesars Entertainment Corporation
One Caesars Palace Drive
Las Vegas, NV 89109
(702) 407-6000

(Name, address, including zip code, and telephone number, including area code, of agent for service)

With a copy to:

Monica K. Thurmond, Esq.

O Melveny & Myers LLP

7 Times Square

New York, New York 10036

(212) 326-2000

Approximate date of commencement of proposed sale to public: As soon as practicable after this Registration Statement becomes effective.

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If any securities being registered on this Form are to be offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

CALCULATION OF REGISTRATION FEE

Title of each Class of	Amount	Proposed Maximum Offering Price	Proposed Maximum Aggregate Offering Price ⁽¹⁾	Amount of Registration Fee ⁽²⁾
Securities to be Registered	Registered	Per Note		
12 ³ / ₄ % Second-Priority Senior Secured Notes due 2018	\$750,000,000	100%	\$750,000,000	\$87,075
Guarantee of 12 ³ / ₄ % Senior-Priority Senior Secured Notes due 2018 ⁽³⁾				(4)

- (1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(a) under the Securities Act of 1933, as amended (the Securities Act).
- (2) Calculated pursuant to Rule 457(f) of the rules and regulations of the Securities Act.
- (3) Caesars Entertainment Corporation unconditionally guarantees the 12 ³/₄% Second-Priority Senior Secured Notes due 2018.
- (4) Pursuant to Rule 457(n) of the rules and regulations under the Securities Act, no separate fee for the guarantee is payable.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not complete the exchange offer and issue these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell securities and it is not soliciting an offer to buy these securities in any state where the offer is not permitted.

Subject to Completion, dated March 17, 2011

PRELIMINARY PROSPECTUS

Caesars Entertainment Operating Company, Inc.

OFFER TO EXCHANGE

\$750,000,000 aggregate principal amount of its 12³/₄% Second-Priority Senior Secured Notes due 2018, the issuance of which has been registered under the Securities Act of 1933, as amended,

for

any and all of its outstanding and unregistered 12³/₄% Second-Priority Senior Secured Notes due 2018.

Caesars Entertainment Operating Company, Inc. hereby offers, upon the terms and subject to the conditions set forth in this prospectus and the accompanying letter of transmittal (which together constitute the exchange offer), to exchange up to \$750,000,000 in aggregate principal amount of its registered 12³/₄% Second-Priority Senior Secured Notes due 2018 (the exchange notes) and any guarantees thereof, for a like principal amount of its unregistered 12³/₄% Second-Priority Senior Secured Notes due 2018 (the original notes). We refer to the original notes and exchange notes collectively as the notes. The terms of the exchange notes and the guarantee thereof are identical to the terms of the related original notes and the guarantees thereof in all material respects, except for the elimination of some transfer restrictions, registration rights and additional interest provisions relating to the original notes. The notes are irrevocably and unconditionally guaranteed by Caesars Entertainment Corporation. The notes will be exchanged in denominations of \$2,000 and in integral multiples of \$1,000.

We will exchange any and all original notes that are validly tendered and not validly withdrawn prior to 5:00 p.m., New York City time, on _____, 2011 (the expiration date), unless extended.

We have not applied, and do not intend to apply, for listing of the notes on any national securities exchange or automated quotation system.

See Risk Factors beginning on page 16 of this prospectus for a discussion of certain risks that you should consider before participating in this exchange offer.

Each broker-dealer that receives the exchange notes 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 accompanying 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 exchange notes received in exchange for original notes where such original notes were acquired by such broker-dealer as a result of market-making

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activities or other trading activities. We have agreed that, starting on the expiration date and ending on the close of business one year after the expiration date, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution .

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2011.

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We have not authorized anyone to give you any information or to make any representations about us or the transactions we discuss in this prospectus other than those contained in this prospectus. If you are given any information or representations about these matters that is not discussed in this prospectus, you must not rely on that information. This prospectus is not an offer to sell or a solicitation of an offer to buy securities anywhere or to anyone where or to whom we are not permitted to offer or sell securities under applicable law. The delivery of this prospectus does not, under any circumstances, mean that there has not been a change in our affairs since the date of this prospectus. Subject to our obligation to amend or supplement this prospectus as required by law and the rules of the Securities and Exchange Commission (the "SEC") the information contained in this prospectus is correct only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of these securities.

The notes may not be offered or sold in or into the United Kingdom by means of any document except in circumstances that do not constitute an offer to the public within the meaning of the Public Offers of Securities Regulations 1995. All applicable provisions of the Financial Services and Markets Act 2000 must be complied with in respect of anything done in relation to the notes in, from or otherwise involving or having an effect in the United Kingdom.

The notes have not been and will not be qualified under the securities laws of any province or territory of Canada. The notes are not being offered or sold, directly or indirectly, in Canada or to or for the account of any resident of Canada in contravention of the securities laws of any province or territory thereof.

We have proprietary rights to a number of trademarks used in this prospectus that are important to our business, including, without limitation, Caesars Entertainment, Caesars Palace, Harrah's, Total Rewards, World Series of Poker, Horseshoe, Paris Las Vegas, Flamingo Las Vegas and Bally's. We have omitted the® and trademark designations for such trademarks named in this prospectus.

Until _____, 2011 (90 days after the date of this prospectus), all dealers effecting transactions in the exchange notes, whether or not participating in the exchange offer, may be required to deliver a prospectus.

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PROSPECTUS SUMMARY

The following summary contains information about Caesars Entertainment Corporation, Caesars Entertainment Operating Company, Inc. and the notes. It does not contain all of the information that may be important to you in making a decision to participate in the offering. For a more complete understanding of Caesars Entertainment Corporation, Caesars Entertainment Operating Company, Inc. and the notes, we urge you to read this prospectus carefully, including the sections entitled Risk Factors, Forward Looking Statements and Where You Can Find More Information. Unless otherwise noted or indicated by the context, the term Caesars refers to Caesars Entertainment Corporation (formerly Harrah's Entertainment, Inc.), and the Company, we, us and our refer to Caesars and its consolidated subsidiaries, and CEOC refers to Caesars Entertainment Operating Company, Inc. (formerly Harrah's Operating Company, Inc.).

As of the date of this prospectus, Caesars owned, operated or managed 52 casinos through its subsidiaries. In connection with the financing of the Acquisition described under The Acquisition Transactions, six casinos were spun or transferred out of CEOC to entities that are side-by-side with CEOC. See The Acquisition Transactions CMBS Transactions. In addition, in connection with the Acquisition Transactions, London Clubs and its subsidiaries became subsidiaries of CEOC. See The Acquisition Transactions London Clubs Transfer. CEOC has remained a direct, wholly-owned subsidiary of Caesars and as of the date of this prospectus owned, operated or managed, through subsidiaries, 46 of our 52 casinos. Notwithstanding these spin-offs and transfers, management of Caesars continues to manage all of the properties of CEOC and those held by its sister subsidiaries as one company, but CEOC is not entitled to receive any direct contribution or proceeds from its sister subsidiaries' operations. Caesars will guarantee the notes; the CMBS Borrowers (as defined) will not. As a result, you should see the financial and pro forma financial information of Caesars as well as financial information of CEOC to give a meaningful and complete presentation of the CMBS Transactions and the London Clubs Transfer, among others.

Our Company

We are one of the world's largest casino entertainment providers. As of December 31, 2010, we owned, operated or managed, through various subsidiaries, 52 casinos in 12 U.S. states and seven countries. The vast majority of these casinos operate in the United States and England, primarily under the Caesars, Harrah's and Horseshoe brand names in the United States. As of December 31, 2010, our facilities had an aggregate of approximately three million square feet of gaming space and approximately 42,000 hotel rooms. Our industry-leading customer loyalty program, Total Rewards, has over 40 million members. We use the Total Rewards system to market promotions and to generate customer play when they travel among our markets in the United States and Canada. In addition, we own an online gaming business, providing for real money casino, bingo and poker in the United Kingdom and play for fun offerings in other jurisdictions. We intend to offer real money online casino and poker gaming in legally compliant jurisdictions going forward. We also own and operate the World Series of Poker tournament and brand.

We have grown rapidly over the years through growth in our core operating business and through a series of strategic acquisitions that have strengthened our scale, geographic diversity and market leading position. In 1998 we completed our acquisition of Showboat, Inc., and in 1999 we purchased Rio Hotel & Casino, Inc. In 2000 we completed the purchase of Players International. During the next five years, we acquired Harveys Casino Resorts (2001), Horseshoe Gaming Holding Corp. (2004), the rights to the World Series of Poker (2004) and the Imperial Palace Hotel & Casino in Las Vegas (2005). We also acquired Caesars Entertainment, Inc. in 2005 for \$9.3 billion, which was, at the time, the largest merger in the history of the gaming industry. In 2010, we acquired Planet Hollywood Resort and Casino, or Planet Hollywood, in Las Vegas. Additionally, we have expanded

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internationally, completing the acquisitions of London Clubs International plc, or London Clubs, in 2006 and Macau Orient Golf, located on a 175-acre site on the Cotai strip in Macau, in 2007.

We revolutionized the approach our industry takes with respect to marketing by introducing our Total Rewards loyalty program in 1997. Continual improvements have been made throughout the years enabling our system to remain the most effective in the industry and enabling us to grow and sustain revenues more effectively than our largest competitors and generate cross-market play, which we define as play by a guest in a property outside the home market of their primary gaming property, among our casinos. In support of our Total Rewards loyalty program, we created the Winner's Information Network, or WINet, the industry's first sophisticated nationwide customer database. In combination, these systems supported the first technology-based customer relationship management strategy implemented in the gaming industry and have enabled our management teams to enhance overall operating results and outperform our competition.

We have established a rich history of industry leading growth and expansion since we commenced casino operations in 1937 and became a publicly listed company in 1971. We were the first gaming company to be listed on the New York Stock Exchange, or NYSE. In 1980, we were acquired by Holiday Inns, Inc. and were delisted from the NYSE. In 1995, we again became a stand-alone company and resumed trading on the NYSE.

On January 28, 2008, Caesars was acquired by affiliates of Apollo Global Management, LLC (Apollo) and TPG Capital, LP (TPG) and, together with Apollo, the Sponsors) in an all-cash transaction, hereinafter referred to as the Acquisition, valued at approximately \$30.7 billion, including the assumption of \$12.4 billion of debt and the incurrence of approximately \$1.0 billion of acquisition costs. As a result of the Acquisition, our stock is no longer publicly traded. Currently, the issued and outstanding shares of common stock of Caesars are owned by entities affiliated with Apollo, TPG, and Paulson & Co. Inc., certain co-investors and members of management.

For more information regarding the Acquisition, including the financing thereof, see The Acquisition Transactions.

Our Sponsors

Apollo

Founded in 1990, Apollo is a leading global alternative asset manager with offices in New York, Los Angeles, London, Frankfurt, Luxembourg, Singapore, Hong Kong and Mumbai. As of December 31, 2010, Apollo had assets under management of \$67.6 billion in its private equity, capital markets and real estate businesses.

TPG

TPG is a private investment partnership that was founded in 1992 and as of December 31, 2010 had approximately \$48 billion of assets under management. Through its investment platforms, TPG Capital, TPG Growth, and TPG Biotech, the firm has extensive experience with global public and private investments executed through leveraged buyouts, recapitalizations, spinouts, joint ventures, growth investments and restructurings. The firm is headquartered in Fort Worth, and has offices in San Francisco, London, Hong Kong, New York, Melbourne, Moscow, Mumbai, Paris, Luxembourg, Beijing, Shanghai, Singapore and Tokyo.

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Organizational Structure

The chart below is a summary of the organizational structure of Caesars and CEOC and illustrates the long-term debt that will be outstanding following the exchange offer.

- (1) All shares held by funds affiliated with and controlled by the Sponsors and their co-investors, representing 89.3% of Caesars outstanding common stock, are subject to an irrevocable proxy that gives Hamlet Holdings, the members of which are comprised of an equal number of individuals affiliated with each of the Sponsors, sole voting and sole dispositive power with respect to such shares.

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- (2) In June 2010, Caesars and its direct, wholly owned subsidiary, Harrah's BC, Inc. (HBC), sold \$835.4 million of senior notes of CEOC to certain affiliates of the Sponsors (the Sponsor Investors), and certain affiliates of Paulson & Co. Inc. (the Paulson Investors). In connection with the purchase of such notes, in November 2010, the Sponsor Investors and the Paulson Investors exchanged such notes, together with \$282.9 million of senior notes of CEOC they had previously acquired for shares of Caesars common stock, which resulted in the Paulson Investors owning 9.9% of Caesars outstanding common stock. We refer to the purchase of such notes and the subsequent exchange of such notes for shares of Caesars common stock as the Private Placement.
- (3) Caesars currently guarantees all of the debt securities set forth above and the senior secured credit facilities. In addition, it has provided a payment guarantee of the operating leases under our CMBS Financing (as defined in The Acquisition Transactions The Financing.) The guarantee of Caesars of the obligations under all of the debt of CEOC set forth above and the notes is structurally subordinated to our CMBS Financing.
- (4) Includes captive insurance subsidiaries and HBC and Caesars Interactive Entertainment, Inc., which owns the World Series of Poker brand.
- (5) The subsidiaries of Caesars that are borrowers (the CMBS Borrowers) under our CMBS Financing and PHW Las Vegas, LLC (PHW Las Vegas) and their respective subsidiaries will not guarantee, or pledge their assets as security for, the notes and do not guarantee any of CEOC's debt securities set forth above or the senior secured credit facilities or any other indebtedness of CEOC and are not directly liable for any obligations thereunder.
- (6) Upon the closing of the Acquisition, we entered into the senior secured credit facilities, which include a \$2,000 million revolving credit facility that was reduced to \$1,630 million due to debt retirements subsequent to the closing of the Acquisition. As of December 31, 2010, \$1,510.2 million of additional borrowing capacity was available under our revolving credit facility, with an additional \$119.8 million committed to back outstanding letters of credit, all of which is secured on a first priority basis.
- (7) Includes (a) the notes and (b) the 10.00% second-priority senior notes due 2018 and the 10.00% second priority senior notes due 2015 issued under a separate indenture on December 24, 2008 and the 10.00% second-priority senior notes due 2018 issued under a separate indenture on April 15, 2009 (collectively, the Second Lien Notes).
- (8) Excludes senior notes currently held by HBC.
- (9) This amount excludes amounts payable by CEOC to Caesars on an Intercompany Note Payable. This amount includes a \$230.0 million senior secured loan entered into in August 2009 and amended for an additional \$40.0 million in October 2010 by Chester Downs and Marina, LLC, which is not a Subsidiary Pledgor. While consolidated in CEOC financials, CEOC is not an obligor on the Chester Downs senior secured term loan.
- (10) Each of the wholly-owned domestic subsidiaries of CEOC that pledged its assets to secure the senior secured credit facilities and the 11.25% senior secured notes due 2017 (collectively, the First Lien Indebtedness) (the Subsidiary Pledgors) has also pledged its assets to secure the Second Lien Notes, provided, however, that the equity interests of CEOC and of CEOC's subsidiaries that have been pledged to secure CEOC's obligations under its First Lien Indebtedness have not been pledged to secure CEOC's obligations under the Second Lien Notes.
- (11) PHW Las Vegas is an unrestricted subsidiary of CEOC and therefore not a borrower under CEOC's senior secured credit facilities or a guarantor of, or pledgor with respect to, any other existing debt of CEOC, and the Planet Hollywood Loan Agreement is non-recourse to CEOC, Caesars or any other subsidiaries of Caesars.

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Recent Development

Octavius Tower and the Linq Senior Secured Term Loan

On February 24, 2011, Caesars announced that it has commenced marketing efforts in the pursuit of securing a \$400.0 million senior secured term loan facility, the proceeds of which will be used to complete two Las Vegas development projects: the completion of the Octavius Tower at Caesars Palace and the construction of a Retail, Dining, and Entertainment district known as the Linq, between the Imperial Palace and the Flamingo, that will be anchored by the world's largest observation wheel. Subsequently, Caesars raised the amount of financing that it wishes to secure to \$450.0 million. The Octavius Tower project will consist of completing the fit-out and remaining construction on approximately 660 rooms and suites, and will also include the design and construction of an additional 3 high-end villas. The Linq will consist of approximately 200,000 square feet of leasable space and will also include a 550 ft observation wheel. The total cost to complete the projects will be approximately \$600.0 million. We plan to initiate these development projects in a phased approach, beginning in 2011, assuming the financing is completed.

Additional Information

Our principal executive offices are located at One Caesars Palace Drive, Las Vegas, NV 89109, and our telephone number is (702) 407-6000. The address of our internet site is www.caesars.com. This internet address is provided for informational purposes only and is not intended to be a hyperlink. Accordingly no information in this internet address is included or incorporated by reference herein.

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Summary of the Terms of the Exchange Offer

In connection with the issuance of the original notes, CEOC entered into a registration rights agreement with the initial purchasers of the original notes. Under that agreement, CEOC agreed to deliver to you this prospectus and to consummate the exchange offer.

Original Notes	\$750,000,000 aggregate principal amount of 12 ³ / ₄ % Second-Priority Senior Secured Notes due 2018 (the original notes);
Exchange Notes	12 ³ / ₄ % Second-Priority Senior Secured Notes due 2018 (the exchange notes). The terms of the exchange notes are substantially identical to those terms of the original notes, except that the transfer restrictions, registration rights and provisions for additional interest relating to the original notes do not apply to the exchange notes.
Exchange Offer	<p>CEOC is offering to exchange up to \$750,000,000 aggregate principal amount of the exchange notes, which have been registered under the Securities Act, for an equal amount of the original notes.</p> <p>CEOC is also offering to satisfy certain of its obligations under the registration rights agreement that CEOC entered into when it issued the original notes in a transaction exempt from registration under the Securities Act.</p>
Expiration Date; Withdrawal of Tenders	The exchange offer will expire at 5:00 p.m., New York City time, on , 2011, or such later date and time to which CEOC extends it. CEOC does not currently intend to extend the expiration date. A tender of original notes pursuant to the exchange offer may be withdrawn at any time prior to the expiration date. Any original notes not accepted for exchange for any reason will be returned without expense to the tendering holder promptly after the expiration or termination of the exchange offer.
Conditions to the Exchange Offer	The exchange offer is subject to customary conditions, some of which CEOC may waive. For more information, see The Exchange Offer Certain Conditions to the Exchange Offer.
Procedures for Tendering Original Notes	If you wish to accept the exchange offer, you must complete, sign and date the accompanying letter of transmittal, or a copy of the letter of transmittal, according to the instructions contained in this prospectus and the letter of transmittal. You must also mail or otherwise deliver the letter of transmittal, or the copy, together with the original notes and any other required documents, to the exchange agent at the address set forth on the cover of the letter of transmittal. If you hold original notes through The Depository Trust Company (DTC) and wish to participate in the exchange offer, you must comply with the Automated Tender Offer Program procedures of DTC, by which you will agree to be bound by the letter of transmittal.

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By signing or agreeing to be bound by the letter of transmittal, you will represent to us that, among other things:

any exchange notes that you receive will be acquired in the ordinary course of your business;

you have no arrangement or understanding with any person or entity, including any of our affiliates, to participate in the distribution of the exchange notes;

if you are a broker-dealer that will receive exchange notes for your own account in exchange for original notes that were acquired as a result of market-making activities, that you will deliver a prospectus, as required by law, in connection with any resale of the exchange notes; and

you are not our affiliate as defined in Rule 405 under the Securities Act, or, if you are an affiliate, you will comply with any applicable registration and prospectus delivery requirements of the Securities Act.

Guaranteed Delivery Procedures

If you wish to tender your original notes and your original notes are not immediately available or you cannot deliver your original notes, the letter of transmittal or any other documents required by the letter of transmittal or comply with the applicable procedures under DTC's Automated Tender Offer Program prior to the expiration date, you must tender your original notes according to the guaranteed delivery procedures set forth in this prospectus under The Exchange Offer Guaranteed Delivery Procedures.

Effect on Holders of Original Notes

As a result of the making of, and upon acceptance for exchange of all validly tendered original notes pursuant to the terms of, the exchange offer, CEOC will have fulfilled a covenant contained in each of the registration rights agreements for the original notes and, accordingly, CEOC will not be obligated to pay additional interest as described in the registration rights agreement. If you are a holder of original notes and do not tender your original notes in the exchange offer, you will continue to hold such original notes and you will be entitled to all the rights and limitations applicable to the original notes in the indenture, except for any rights under the registration rights agreement that, by their terms, terminate upon the consummation of the exchange offer.

Consequences of Failure to Exchange

All untendered original notes will continue to be subject to the restrictions on transfer provided for in the original notes and in the indenture. In general, the original notes may not be offered or sold unless registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. Other than in connection with the exchange offer, CEOC does not currently anticipate that it will register the original notes under the Securities Act.

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Resale of the Exchange Notes

Based on an interpretation by the staff of the SEC set forth in no-action letters issued to third parties, we believe that the exchange notes issued pursuant to the exchange offer in exchange for original notes may be offered for resale, resold and otherwise transferred by you (unless you are our affiliate within the meaning of Rule 405 under the Securities Act) without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that you:

are acquiring the exchange notes in the ordinary course of business; and

have not engaged in, do not intend to engage in, and have no arrangement or understanding with any person or entity, including any of Caesars affiliates, to participate in, a distribution of the exchange notes.

In addition, each participating broker-dealer that receives exchange notes for its own account pursuant to the exchange offer in exchange for original notes that were acquired as a result of market-making or other trading activity must also acknowledge that it will deliver a prospectus in connection with any resale of the exchange notes. For more information, see Plan of Distribution. Any holder of original notes, including any broker-dealer, who:

is our affiliate,

does not acquire the exchange notes in the ordinary course of its business, or

tenders in the exchange offer with the intention to participate, or for the purpose of participating, in a distribution of exchange notes, cannot rely on the position of the staff of the Commission expressed in Exxon Capital Holdings Corporation, Morgan Stanley & Co., Incorporated or similar no-action letters and, in the absence of an exemption, must comply with the registration and prospectus delivery requirements of the Securities Act in connection with the resale of the exchange notes.

Material Tax Consequences

The exchange of original notes for exchange notes in the exchange offer will not be a taxable event for U.S. federal income tax purposes. For more information, see Certain U.S. Federal Tax Considerations.

Use of Proceeds

We will not receive any cash proceeds from the issuance of the exchange notes in the exchange offer.

Exchange Agent

U.S. Bank National Association is the exchange agent for the exchange offer. The address and telephone number of the exchange agent are set forth in the section captioned The Exchange Offer Exchange Agent.

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Summary of the Terms of the Exchange Notes

The following summary highlights the material information regarding the exchange notes contained elsewhere in this prospectus. We urge you to read this entire prospectus, including the Risk Factors section and the consolidated financial statements and related notes.

Issuer	Caesars Entertainment Operating Company, Inc.
Exchange Notes offered	\$750,000,000 12 ³ / ₄ % Second-Priority Senior Secured Notes due 2018.
Maturity Date	The exchanges notes will mature on April 15, 2018.
Interest Rate	Interest on the exchange notes will be payable in cash and will accrue from the issue date of the exchange notes at a rate of 12 ³ / ₄ % per annum.
Interest Payment Date	April 15 and October 15 of each year, commencing on October 15, 2010.
Collateral	<p>The exchanges notes will be secured by a second priority security interest in all of the collateral granted to the collateral agent for the benefit of the holders of the Second Lien Notes. Such second priority security interests are pari passu in priority to the liens on the collateral securing the other Second Lien Notes and other future parity lien debt that may be issued in compliance with the terms of the indenture governing the exchange notes. Such second priority security interests will be junior in priority to the liens on the collateral securing the First Lien Indebtedness, except the collateral securing such second priority security interests does not include the equity interests of CEOC and substantially all of CEOC's domestic subsidiaries and first-tier foreign subsidiaries while the collateral securing the First Lien Indebtedness includes such equity interests, and to all other permitted prior liens, including liens securing certain hedging obligations and cash management obligations.</p> <p>The collateral securing the exchange notes will be substantially all of CEOC's and the Subsidiary Pledgors' property and assets that secure the First Lien Indebtedness, which excludes: (i) any property or assets owned by any foreign subsidiaries, (ii) certain real property and vessels, (iii) any vehicles, (iv) cash, deposit accounts and securities accounts (to the extent that a lien thereon must be perfected by any action other than the filing of customary financing statements), (v) subject to limited exceptions, any assets or any right, title or interest in any license, contract or agreement to the extent that taking a security interest in any of them would violate any applicable law or regulation (including gaming regulations) or any enforceable contractual obligation binding on the assets or would violate the terms of any such license, contract or agreement, and (vi) certain other limited exclusions. While the collateral securing the First Lien Indebtedness includes the equity interests of CEOC and substantially all of CEOC's domestic subsidiaries and first-tier foreign subsidiaries, the collateral securing the exchange notes will not include securities and other equity interests of CEOC or its subsidiaries. For more information, see Description of Exchange Notes Security for the Notes.</p>

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Intercreditor Agreement

The trustee and the collateral agent under the indenture governing the exchange notes entered into a joinder to the intercreditor agreement, dated as of December 24, 2008, as to the relative priorities of their respective security interests in CEOC's and Subsidiary Pledgors' assets securing the Second Lien Notes and the First Lien Indebtedness and certain other matters relating to the administration of security interests. The terms of the intercreditor agreement are set forth under Description of Exchange Notes Security Documents and Intercreditor Agreement.

Ranking

The exchange notes:

will be senior indebtedness of CEOC;

will rank pari passu in right of payment with all existing and future senior indebtedness of CEOC,

will be senior in right of payment to all existing and future subordinated indebtedness of CEOC, and

will be effectively subordinated in right of payment to all existing and future indebtedness and liabilities of subsidiaries of CEOC that are not Subsidiary Pledgors.

The exchange notes will have the benefit of a security interest in the collateral that will be second in priority behind the First Lien Indebtedness and pari passu in priority with the other Second Lien Notes and other future parity lien debt that may be issued in compliance with the terms of the indenture governing the exchange notes, subject to permitted liens and exceptions described under Description of Exchange Notes Security for the Notes. All of CEOC's domestic wholly-owned subsidiaries that pledge their assets and property to secure the loans under the senior secured credit facilities and other first priority lien obligations, will become Subsidiary Pledgors with respect to the exchange notes, and their assets and property will secure the exchange notes to the extent described under Description of Exchange Notes Security for the Notes, provided, however, that the securities and other equity interests of CEOC and of CEOC's subsidiaries that have been pledged to secure CEOC's obligations under its First Lien Indebtedness will not be pledged to secure CEOC's obligations under the exchange notes.

As of December 31, 2010, the exchange notes would have ranked (1) effectively junior in right of payment to approximately \$8,900.1 million of first lien indebtedness, (2) effectively pari passu in right of payment to approximately \$4,767.9 million of the other Second Lien Notes, (3) effectively senior in right of payment to approximately \$2,518.8 million of senior unsecured indebtedness to the extent of the value of the collateral securing the exchange notes, of which \$1,136.5 million is owed to Caesars and (4) structurally subordinated in right of payment to \$778.9 million of indebtedness of subsidiaries of CEOC that are not Subsidiary Pledgors. In addition, as of December 31, 2010, we would have had \$1,510.2 million of unutilized capacity under our senior secured revolving credit facility.

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Substantially all of the operations of CEOC are conducted through its subsidiaries. The exchange notes will be effectively subordinated to holders of indebtedness and other creditors (including trade creditors) and preferred stockholders (if any) of subsidiaries of CEOC that are not Subsidiary Pledgors. See note 23 to our audited consolidated financial statements incorporated by reference in this prospectus for financial information regarding the Subsidiary Pledgors (the entities referred to therein as guarantors are identical to the entities that constitute the Subsidiary Pledgors). Further, holders of the exchange notes will have recourse to the collateral pledged by the Subsidiary Pledgors, but they will have no direct recourse to the Subsidiary Pledgors themselves.

Parent Guarantee The notes will be irrevocably and unconditionally guaranteed by Caesars, subject to certain limitations. See Description of Exchange Notes Parent Guarantee.

Subsidiary Guarantees The indenture governing the exchange notes provides that, promptly following the terms of CEOC's existing indebtedness no longer prohibiting the guarantee of the exchange notes by the Subsidiary Pledgors (as determined in good faith by CEOC) and receipt of requisite approvals from the applicable gaming authorities, such subsidiaries will execute a supplemental indenture and irrevocably and unconditionally guarantee the exchange notes.

Any guarantee of the exchange notes would be released in the event that the assets pledged by any subsidiary guarantor to secure the senior secured credit facilities are released under the senior secured credit facilities.

Optional Redemption CEOC may redeem the exchange notes, in whole or in part, at any time prior to April 15, 2014, at a price equal to 100% of the principal amount of the exchange notes redeemed plus accrued and unpaid interest and a make-whole premium. Thereafter, the exchange notes may be redeemed at the option of CEOC on the redemption dates and at the redemption prices specified under Description of Exchange Notes Optional Redemption.

Optional Redemption After Certain Equity Offerings At any time (which may be more than once) before April 15, 2013, CEOC may choose to redeem up to 35% of the principal amount of exchange notes at a redemption price equal to 112.750% of the face amount thereof with the net cash proceeds of one or more equity offerings to the extent such net cash proceeds are received by or contributed to CEOC and so long as at least 50% of the aggregate principal amount of the exchange notes remains outstanding immediately after such redemption. See Description of Exchange Notes Optional Redemption.

Change of Control If CEOC experiences a change of control (as defined in the indenture governing the exchange notes), CEOC will be required to make an offer to repurchase the exchange notes at a price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of repurchase. See Description of Exchange Notes Change of Control.

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Certain Covenants

The indenture governing the exchange notes contains covenants limiting CEOC's ability and the ability of its subsidiaries to:

incur additional debt or issue certain preferred shares;

pay dividends on or make distributions in respect of its capital stock or make other restricted payments;

make certain investments;

sell certain assets;

create liens on certain assets to secure debt;

consolidate, merge, sell or otherwise dispose of all or substantially all of its assets;

enter into certain transactions with its affiliates; and

designate its subsidiaries as unrestricted subsidiaries.

The covenants are subject to a number of important limitations and exceptions. In addition, the restrictive covenants do not apply to Caesars. See Description of Exchange Notes. Certain covenants will cease to apply to the exchange notes for so long as the applicable series of exchange notes have investment grade ratings from both Moody's Investors Service, Inc. and Standard & Poor's.

No Prior Market

If issued, the exchange notes will be new securities for which there is no market. Accordingly, there can be no assurance as to the development or liquidity of any market for the exchange notes. Although the initial purchasers informed us in connection with the issuance of the original notes that they intend to make a market in the notes, they are not obligated to do so and may discontinue any such market-making at any time without notice.

Risk Factors

See Risk Factors and the other information in this prospectus for a discussion of the factors you should carefully consider before deciding to invest in the exchange notes.

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The following table presents our summary historical consolidated financial information as of and for the periods presented. The summary historical financial information as of December 31, 2009 and 2010 and for the periods from January 1, 2008 through January 27, 2008 and from January 28, 2008 through December 31, 2008, and the years ended December 31, 2009 and 2010 have been derived from, and should be read in conjunction with, our audited consolidated financial statements included elsewhere in this prospectus. The summary historical financial information as of December 31, 2008 has been derived from our audited consolidated financial statements not included in this prospectus.

Although Caesars continued as the same legal entity after the Acquisition, the financial information is presented as the Predecessor periods for the periods preceding the Acquisition and as the Successor periods for the periods succeeding the Acquisition. As a result of the application of purchase accounting as of the date of the Acquisition, the financial information for the Successor periods and Predecessor periods are presented on different bases and are, therefore, not comparable.

Please refer to Selected Historical Consolidated Financial Data, Management's Discussion and Analysis of Financial Condition and Results of Operations and our financial statements and notes thereto included elsewhere in this prospectus. The audited consolidated financial statements as of December 31, 2009 and 2010 and for the periods from January 1, 2008 through January 27, 2008 and from January 28, 2008 through December 31, 2008, and the years ended December 31, 2009 and 2010 have been audited by Deloitte & Touche LLP, an independent registered public accounting firm.

	Predecessor		Successor	
	Jan. 1, 2008 through Jan. 27, 2008	Jan. 28, 2008 through Dec. 31, 2008	Year Ended December 31,	
			2009	2010
(Dollars in millions)				
Consolidated Statement of Operations				
Revenues				
Casino	\$ 614.6	\$ 7,476.9	\$ 7,124.3	\$ 6,917.9
Food and beverage	118.4	1,530.2		