

**ORDER 2007-48
IN RE SETTLEMENT AGREEMENT
THE MAJESTIC STAR CASINO, LLC
07-MS-02**

After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

APPROVES

the proposed terms of the Settlement Agreement.

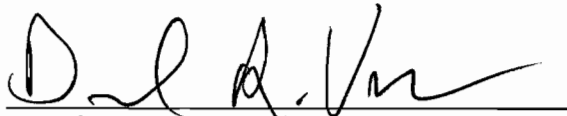
IT IS SO ORDERED THIS THE 7th DAY OF JUNE, 2007.

THE INDIANA GAMING COMMISSION:



William W. Barrett, Chair

ATTEST:



Donald R. Vowels, Secretary

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INDIANA GAMING COMMISSION

STATE OF INDIANA
INDIANA GAMING COMMISSION

IN RE THE MATTER OF:)
)
THE MAJESTIC STAR CASINO, LLC) SETTLEMENT
) 07-MS-02
)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and The Majestic Star Casino, LLC (“Majestic Star”) (collectively, the “Parties”) desire to settle this matter prior to the initiation of a disciplinary proceeding pursuant to 68 IAC 13-1-18(a). The Parties stipulate and agree that the following facts are true:

FINDINGS OF FACT

COUNT I

1. 68 IAC 11-3-6(c)(19) states that the appropriate amount of currency to keep the main bank at its imprest amount shall be transported to the main bank. The amount transferred shall be added to the main bank’s accountability sheet.
2. 68 IAC 15-10-2(a)(2) states that all increases or decreases to the main bank or vault shall be supported by the appropriate documentation. Both of these rules were violated when the main banker transferred the incorrect amount of funds during the buy and when she transferred the money later in the day without documenting the shortage and wash.
3. 68 IAC 12-1-1(b)(3) states “monitor continuously” means to observe in real time and without interruption an event, a location or an activity in its entirety.
4. 68 IAC 12-1-6(1) states that surveillance employees must continuously monitor and visually record the soft count procedures in accordance with 68 IAC 11-3.
5. On August 12, 2006 the Director of Surveillance, notified the Commission Agents that \$90,000 of unsecured funds were left in the soft count room. A Main Banker completed the count verification of the soft count at 11:38am. After she loaded the cart with the funds, the Main Banker failed to notice the \$90,000 still on a table and failed to lock the cart. Later that afternoon when the Main Banker was counting out her bank, she found that she was \$90,000 short. She recounted her funds and still was short. The Main Banker contacted her Shift Manager who called for a security escort into the soft count room. Surveillance was called before the Security Officer and the Main Banker entered the soft count room. Once they entered, the Main Banker picked up the funds and left without placing the funds in a locked cart. The funds were left unsecured in the count room for approximately four and a half hours. The surveillance employee failed to watch

the main banker's buy of the soft count funds and the transfer of those funds to the main bank.

COUNT II

6. Pursuant to 4-33-9-12, "a person who is less than twenty-one (21) years of age may not be present in the area of a riverboat where gambling is being conducted." Pursuant to 68 IAC 1-11-1(c), "[a] person under twenty-one (21) years of age shall not be present on a riverboat."
7. On September 15, 2006 two minors were allowed to board the casino and on September 28, 2006 one minor was allowed to enter the casino. In all three cases the minors were not asked for ID by the security officer at the turnstile. This is the second, third and fourth time in the last six months.

COUNT III

8. 68 IAC 2-6-6(c)(1)(I) states that the casino during a conversion will request permission for the conversion from the commission and supply the commission with the current and future Eprom number that is installed or that is to be installed in the electronic gaming device.
9. During a GLI slot audit it was noted that there was a revoked EPROM inside one of the slot machines. In the EGD system the current EPROM was listed as being in the machine. The machine in question was part of a move/conversion by the casino and contained a revoked EPROM. When the casino submitted a list for the move/conversion the approved EPROM was submitted. The casino did this; however, they failed to put the approved EPROM in the machine.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Majestic Star by and through its agents as described herein constitute a breach of the Riverboat Gambling Act, Title 68 of the Indiana Administrative Code and Majestic Star's approved internal control procedures. The Commission and Majestic Star hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Majestic Star. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

Majestic Star shall pay to the Commission a total of \$33,500 (\$15,000 for Count I: \$13,500 for Count II and \$5,000 for Count III) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this agreement. Neither this agreement nor any action performed pursuant to it will constitute an admission of

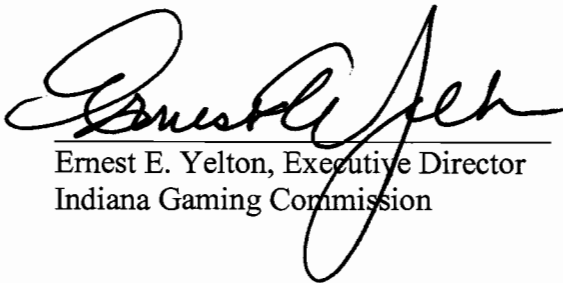
any violation by Majestic Star. This agreement extends only to known incidents specifically alleged in this agreement and wholly based on the facts described herein. If the Commission subsequently discovers additional facts, which are not described in this agreement, that may support an independent determination that a violation has occurred, the Commission may pursue disciplinary action for such violations even if the facts are related to an incident described herein.

Upon execution and approval of this Settlement Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Settlement Agreement by the Commission, Majestic Star agrees to promptly remit payment in the amount of \$33,500 and shall waive all rights to further administrative or judicial review.


This Settlement Agreement constitutes the entire agreement between the parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Settlement Agreement. This Settlement Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Settlement Agreement shall be binding upon the Commission and Majestic Star.

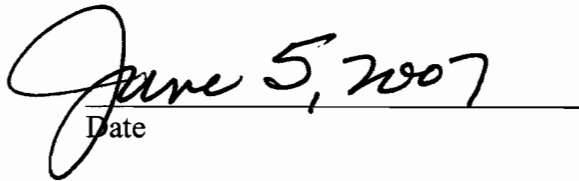
IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date and year as set forth below.



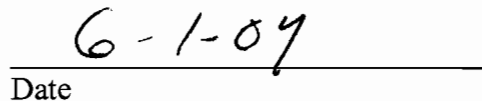
Ernest E. Yelton, Executive Director
Indiana Gaming Commission



David Schugar, General Manager
Majestic Star Casino



Date



Date