

**ORDER 2008-66
IN RE SETTLEMENT AGREEMENT
CAESARS RIVERBOAT CASINO, LLC
08-CS-01**

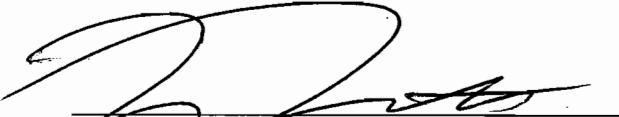
After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

Approves
APPROVES OR DISAPPROVES

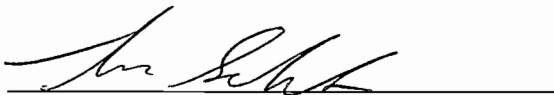
the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 28th DAY OF MAY, 2008.

THE INDIANA GAMING COMMISSION:


William Barrett, Chair

ATTEST:


Thomas Swihart, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
) **SETTLEMENT**
CAESARS RIVERBOAT CASINO, LLC) **08-CS-01**
)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Caesars Riverboat Casino, LLC (“Caesars”) (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 2-6-5 requires electronic gaming devices meet the following security and audit specifications:
 - a. (8) Display an accurate representation of each game outcome utilizing:
 - b. rotating reels;
 - c. video monitors;
 - d. any other type of display mechanism that accurately depicts the outcome of the game.
2. 68 IAC 2-6-6(c)(5) states in the presence of a commission agent, a slot technician or equivalent shall ensure that the payglass installed on the electronic gaming device accurately reflects the payouts for the EPROM that has been installed in the electronic gaming device.
3. 68 IAC 2-6-1 (e) states after an individual has entered an electronic gaming device for any reason, the individual must complete a log that is maintained inside the electronic gaming device. The log shall contain, at a minimum, the following information:
 - i. The name and occupational license number of the individual entering the electronic gaming device.
 - ii. The date and time that the electronic gaming device:
 - b. is entered
 - c. is exited
 - i. The identity of the electronic gaming device.
 - ii. The reason for the entry.

4. On July 30, 2007, a Gaming Agent was notified by a Lead Slot Technician that the award inserts on the top glass of four slot machines were incorrect. The award inserts indicated that the jackpot payout was \$50,000; however, the jackpot payout should have been \$10,000. The Gaming Agent verified that these machines are unable to generate a \$50,000 jackpot as they only allow for a player to bet one credit at a time. According to the Lead Slot Technician, the top glass for each machine was not installed by employees of the casino.
5. Slot machines must be tested prior to use and a slot performance worksheet must be completed. On this worksheet, four Slot Technicians verified that the top and belly glass denomination and award inserts were correct on the four slot machines in question.
6. A review of the Machine Entry Access Log (MEAL) for each of these machines indicated that they were in service between July 14, 2007 and July 30, 2007. The MEAL does not have an entry for when the machines were originally put into service.
7. On September 17, 2007, a Gaming Agent was notified by Security that a slot machine door was unsecured. On September 18, 2007, the Gaming Agent reviewed the transaction report for the slot machine but did not find the slot machine to be unsecured. The Gaming Agent made a copy of the MEAL log in the slot machine because it did not show that anyone had entered the slot machine. A comparison between the MEAL log and the transaction log determined that two Slot Technicians entered the slot machine without signing the log.

COUNT II

8. 68 IAC 1-5-1 (10) requires the casinos to report any apparent criminal activity taking place on the riverboat property. This information must be submitted to an enforcement agent. IC 4-33-10-2 describes what is considered criminal activity. For Gaming Enforcement to properly handle criminal cases they should be informed immediately of all apparent criminal activity including capping and pinching bets.
9. On October 9, 2007, a patron reported to slot personnel that an \$80 TITO ticket was missing from the slot machine where the patron was playing. At this time, slot personnel called the Security Department. The patron stated the ticket went missing when she walked away from her machine due to illness. However, the Security Officer stated in her report that the patron was at the slot machine at the time the ticket went missing. The patron was compensated for the ticket and the ticket was voided. Later that evening, Security notified a Gaming Agent that a male patron was attempting to cash out the TITO ticket that was reported missing earlier in the day. It was confirmed to be the same ticket. The patron attempting

to cash the TITO ticket had received the ticket from his neighbor. Upon surveillance review, the Gaming Agents were able to identify the suspect who was not the patron attempting to cash out the TITO ticket. The Gaming Agents were not notified of the suspected theft.

COUNT III

10. 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."
11. On August 4, 2007, a minor was discovered in the casino when he tried to cash a check at the cage on the fourth level. He was not asked for ID at the turnstile.
15. On November 22, 2007, a minor was stopped at the turnstiles, but it was discovered that he had been allowed to enter the casino earlier in the day. He had used the same fake ID both times.

TERMS AND CONDITIONS

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

Caesars shall pay to the Commission a total of \$34,000 (\$20,000 for Count I; \$5,000 for Count II and \$9,000 for Count III) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this agreement. This agreement extends only to those violations and findings of fact, specifically alleged herein. If the Commission subsequently discovers facts that give rise to additional or separate violations, which are not described herein, the Commission may pursue disciplinary action for such violations even if the subsequent violations are similar or 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, Caesars agrees to promptly remit payment in the amount of \$34,000 and shall waive all rights to further administrative or judicial review.

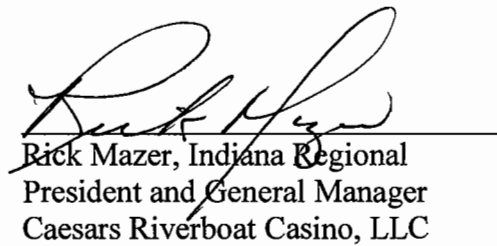
This Settlement Agreement constitutes the entire agreement between the parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Settlement Agreement. This Settlement Agreement may 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 Caesars.

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

5.27.08
Date


Rick Mazer, Indiana Regional
President and General Manager
Caesars Riverboat Casino, LLC

5-22-08
Date