

**ORDER 2012-200  
IN RE SETTLEMENT AGREEMENT  
THE MAJESTIC STAR CASINO, LLC  
12-MS-02**

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

**APPROVED**

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APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS THE 15th DAY OF NOVEMBER, 2012.**

**THE INDIANA GAMING COMMISSION:**

  
\_\_\_\_\_  
Timothy Murphy, Chair

ATTEST:

  
\_\_\_\_\_  
Marc Fine, Vice-Chair

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

<b>IN RE THE MATTER OF:</b>	)	
	)	<b>SETTLEMENT</b>
<b>THE MAJESTIC STAR CASINO, LLC</b>	)	<b>12-MS-02</b>
	)	

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and The Majestic Star Casino, LLC and The Majestic Star Casino II, Inc. (together referred to herein as “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. Pursuant to IC 4-33-9-12 and 68 IAC 1-11-1(c), 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.
2. On May 15, 2012 a Gaming Agent was investigating a possible Credit Card Fraud when it was discovered that one of the suspects was under age and had been allowed on the casino floor. A review of the surveillance footage showed that the underage person was asked for identification and after the Security Officer looked at the identification he allowed the underage person to enter the casino. The underage person had presented an identification that was not his and did not resemble him.
3. On June 23, 2012 a Gaming Agent was contacted by a Security Supervisor about an underage person on the casino floor. A review of the surveillance footage showed that the underage person was asked for identification and after the Security Officer looked at the identification he allowed the underage person to enter the casino. The underage person had presented her own identification that indicated she was under the age of twenty-one.

**COUNT II**

4. 68 IAC 15-12-3 states (a) live gaming device fills shall precede in the following manner:

- (1) The appropriate occupational licensee shall initiate a live gaming device fill by completing an input form. The input form is either carried to the casino cage or the information is electronically transmitted to the casino cage.
  - (2) The input form is utilized to prepare and print a live gaming device fill slip.
  - (3) Surveillance shall be notified that a live gaming device fill is being processed.
  - (4) Based on the information contained on the fill slip, the casino cashier shall prepare the proper denomination and amount of chips or tokens, or both, and sign the fill slip. The casino cashier shall sign the fill slip, summon a security officer, and present the chips or tokens, or both, and the fill slip to the security officer.
  - (5) The security officer must verify that the denomination and amount of chips or tokens, or both, match the amount on the fill slip. The security officer shall sign the fill slip after verifying the chips or tokens, or both, match the fill slips. The security officer who begins the live gaming device fill must complete the process of witnessing, escorting, and signing the appropriate documentation to verify the live gaming device fill was completed. If there is a discrepancy with the live gaming device fill, the same security officer who began the live gaming device fill must accompany the fill back to the cage to resolve the discrepancy.
  - (6) The casino cashier shall retain one (1) copy of the fill slip in the casino cage.
  - (7) The security officer shall transport the chips or tokens, or both, to the appropriate pit area.
  - (8) The appropriate level of occupational licensee shall count the chips or tokens, or both, that are received as a live gaming device fill to ensure the denomination and amounts received match the amount and denomination reflected on the fill slip.
5. On April 17, 2012 a Commission Auditor was reviewing Surveillance Incident reports and noted a violation. On April 9, 2012 a Cage Cashier miscounted a cash transfer of chips to the fill bank. The Cashier sold \$5700 black chips to the fill bank and only recorded \$3700 black chips. The Fill Banker failed to verify the transfer, but at the end of their shifts there should have been a wash (compensating variance) regarding this transfer. However, earlier that day the Fill Bank Cashier prepared and sent a table fill that was \$2000 over in black chips. The Security Officer escorting the fill did not catch the overage and neither did the Table Game personnel. The fill was accepted and the paperwork was placed in the drop box. The errors were detected when the Cage Cashier was short \$2000.

### **COUNT III**

6. 68 IAC 2-3-1(c) states that a person employed by the riverboat gambling operation and whose duties are to be performed on the riverboat is required to hold an occupational license.

7. 68 IAC 2-3-1(f) states an employee of a riverboat gambling operation who does not hold an occupational license shall not perform any duties on the riverboat at any time.
8. On July 26, 2012 a Gaming Agent was instructed by the Gaming Supervisor to verify if a non-gaming employee had worked on the casino floor. The Agent reviewed video coverage and found that a Food and Beverage Hostess, a non-gaming employee, had worked serving beverages at the bar located on the second level of the casino. The Agent spoke to the Hostess and the Food and Beverage Supervisor that had allowed the Hostess to work on the casino floor and both admitted they were aware that non-gaming employees were not to work on the casino floor; however both stated that they did not think of that the night of the violation. Neither employee received disciplinary action.

#### COUNT IV

9. 68 IAC 12-1-5(f)(6) states electronic gaming device surveillance must be capable of providing coverage of progressive games, including dedicated coverage of the following:
  - (A) Any electronic gaming device or group of electronic gaming devices with a possible jackpot payout in excess of fifty thousand dollars (\$50,000).
  - (B) The progressive display showing the incrementation of the progressive jackpot for an electronic gaming device or a bank of electronic gaming devices.
10. 68 IAC 12-1-9(a) states surveillance equipment that is out of service due to malfunction must be as follows:
  - (1) Immediately:
    - (A) reported to an enforcement agent; and
    - (B) repaired or:
      - (i) the equipment replaced with:
        - (AA) alternative camera coverage; or
        - (BB) live surveillance at the discretion of the enforcement agent; or
      - (ii) activity in the area affected by the malfunction must be ceased and security personnel shall guard the area until coverage is restored.
    - (2) Repaired within twenty-four (24) hours.
  11. On August 10, 2012 the Surveillance Director notified a Gaming Agent that a camera was out. The camera was a fixed camera that was monitoring a progressive jackpot of \$90,000 and had been out for at least two weeks. The camera could have been out longer, but the system only goes back fourteen days. The Director advised that the Surveillance Techs were working on the camera and until it was repaired another camera would monitor the jackpot.

## **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 IC 4-33, 68 IAC and/or 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 \$21,500 (\$4,500 for Count I; \$5,000 for Count II; \$2,000 for Count III; \$10,000 for Count IV) 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, Majestic Star agrees to promptly remit payment in the amount of \$21,500 and shall waive all rights to further administrative or judicial review.

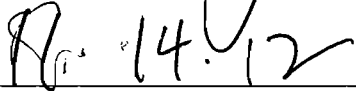
This Settlement Agreement constitutes the entire agreement between the parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Settlement Agreement. This Settlement Agreement may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



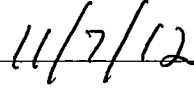
Ernest E. Yelton, Executive Director  
Indiana Gaming Commission



Date



Craig I. Ghelfi, General Manager  
The Majestic Star Casino, LLC  
The Majestic Star Casino II, Inc.



Date