

ORDER 2007-82

**IN RE SETTLEMENT AGREEMENT
CAESARS RIVERBOAT CASINO, LLC
07-CS-03**

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 13th DAY OF SEPTEMBER, 2007.

THE INDIANA GAMING COMMISSION:



William W. Barrett, Chair

ATTEST:



Tim Murphy, Vice Chair

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
) **SETTLEMENT**
CAESARS RIVERBOAT CASINO, LLC) **07-CS-03**
)

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 12-1-6.5 states in addition to other coverage requirements the surveillance system must audibly record the following:
 - (2) All detentions and questioning of detained individuals by casino security
2. 68 IAC 12-1-9(a)(1)(A) requires that malfunctioning surveillance equipment must be immediately reported to an enforcement agent and repaired within 24 hours.
3. On January 31, 2007 a Gaming Agent notified Surveillance for coverage in the Caesars Indiana Control Post (“CICP”) for the detention and questioning of a suspect. Upon review of the surveillance video tape on February 5, 2007 the agent discovered that there was no audio coverage of the detention and questioning. The tape was given to a Surveillance Officer for review and possible repair. The Surveillance Officer notified the Gaming Agent that the audio was malfunctioning in the CICP.

The Surveillance Logs from January 29 to February 1, 2007 documented the malfunction of the audio coverage but did not show the date and time of the repair. The Surveillance Department was unable to provide any documentation regarding the date and time of the repair. The Gaming Agents were also not notified of the malfunction.

The casino contends that there was no malfunction and that the Gaming Agent was given the tape without the audio; however because of the time lapse the casino was unable to produce the tape.

COUNT II

4. 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." 68 IAC 1-11-1(c) states a person under twenty-one (21) years of age shall not be present on a riverboat.
5. On March 20, 2007 a minor was allowed to board the casino after the Security Officer had checked his ID.

COUNT III

6. Pursuant to 68 IAC 6-3-4, riverboat licensees must adopt internal control procedures to "ensure that voluntarily excluded persons do not receive check cashing privileges or extensions of credit, whether directly through the riverboat licensee or operating agent, or through a supplier contracting with a riverboat licensee or operating agent on property hired for the purpose of check cashing or extensions of credit or both."
7. On or about May 1, 2007 a Gaming Agent was assigned to investigate a complaint submitted by a VEP participant. The VEP participant complained that Caesars cashed checks for her even though she was on the VEP list. The participant was placed on the list around August 8, 2006. Twice in March 2007 and once in April 2007 the participant cashed checks at Caesars. The participant was shown on Caesars records as being excluded, however, she had two records. Only one record showed her as being excluded.

COUNT IV

8. Internal Controls, Section C: Table Games C-17 Card, Dice & Layout Control
 - a. 7. Cards shall not be left at a live gaming device unattended. At the end of each day and at such times as may be necessary, all decks of cards will be counted by the dealers to ensure there are 52 cards per deck and the appropriate number of decks per shoe.
9. Internal Controls, Section C: Table Games C-17.4
 5. Prior to use at a table, all decks shall be in the following manner:
 3. A supervisor will remove the decks from their boxes and will count and inspect all cards by hand, inspecting for any irregularities, flaws or defects.
 4. The supervisor will provide inspected cards to the dealer for a second inspection in which the cards will be run down in suit, face up, from left to right, creating four rows of cards clearly visible for surveillance review. This run down will include a count of the

cards as well as an inspection of the fronts and backs for any irregularities, flaws or defects.

10. On March 5, 2007 a three of spades with a maroon back was found on a chair by a patron. Upon tape review a Table Games Supervisor was training a dealer how to hand pitch the cards. When the training was finished, the Supervisor nor the Dealer counted the cards to make sure they were all there.
11. On April 1, 2007 a Dealer and Supervisor opening a blackjack table counted down the cards and failed to notice that a nine of diamonds in the blue deck was missing.

COUNT V

12. 68 IAC 14-3-5(a) states that all dice or playing cards that are not being utilized at a live gaming device shall be kept in locked compartments.
13. 68 IAC 14-3-5(b) states that dice and playing cards shall not be left at a live gaming device while unattended.
14. On February 14, 2007 surveillance reported that a Dual Rate Supervisor left two decks of cards unattended on a poker table. The cards were left unattended and untouched for three hours. The cards were finally collected by a Dealer and turned over to a Supervisor. The cards were not cancelled.

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 \$29,000 (\$5,000 for Count I; \$1,500 for Count II; \$15,000 for Count III; \$2,500 for Count IV; \$5,000 V) 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 \$29,000 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.

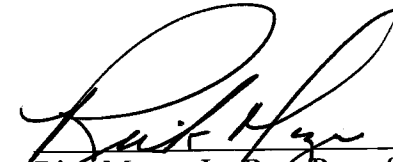
IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date and year as set forth below.



Ernest E. Yelton, Executive Director
Indiana Gaming Commission

Date

9/13/07



Rick Mazer, In. Reg. Pres. & G. M.
Caesars Riverboat Casino, LLC

Date

9-11-07