

**ORDER 2008-151
IN RE SETTLEMENT AGREEMENT
GRAND VICTORIA CASINO & RESORT LP
08-GV-04**

COMMISSION ACTION

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 13th DAY OF NOVEMBER, 2008.

THE INDIANA GAMING COMMISSION:



William Barrett, Chair

ATTEST:



Thomas Swihart, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

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| IN RE THE MATTER OF: |) | |
| |) | SETTLEMENT |
| GRAND VICTORIA CASINO |) | 08-GV-04 |
| & RESORTS LP |) | |

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Grand Victoria Casino & Resorts LP (“Grand Victoria”) (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 12-1-1.5(d) states surveillance employees shall only perform tasks in the course of their employment that further the purpose of the surveillance operation.
2. 68 IAC 12-1-1.5(e) states a riverboat licensee or operating agent may not divert surveillance resources or surveillance employees from their intended surveillance purposes or functions, as specified in or required by this rule, without the permission of the executive director.
3. 68 IAC 12-1-5(f)(6) states that electronic gaming device surveillance must be capable of providing dedicated coverage of any electronic gaming device or group of electronic gaming devices with a possible jackpot payout in excess of fifty thousand dollars (\$50,000).
4. 68 IAC 12-1-5(c)(3) states that the surveillance system must provide an overall view of pit areas and gaming tables capable of clearly identifying the hands of all participants.
5. 68 IAC 12-1-5(h)(2) states the surveillance system must be capable of monitoring activities on the entrances and exists of the riverboat with sufficient clarity to identify any person using the entrances and exits.
6. After reading daily surveillance transaction logs from July1, 2008 and July 2, 2008, a Gaming Agent discovered that the Controller had requested surveillance to review an Accounting Services Supervisor’s time spent in the employee dining room. These surveillance reviews of the Accounting Services Supervisor’s time were conducted both live and after the fact.

7. On July 5, 2008, a Gaming Agent noticed a stand alone progressive jackpot had been won with the amount being \$298,379. The Agent verified that all the seals were correctly in place and gave verbal confirmation to the slot employees. When the Agent went to view the surveillance coverage, he could not find a camera that correctly and clearly showed the progressive meter.
8. On August 10, 2008, a Gaming Agent received a call from security regarding a patron complaint in the Poker Room. The patron and another player were the only two players left in a Texas Hold 'Em poker game and both had a full house. The patron had three queens and the other player had three nines. The Dealer paid the player with three nines. When the patron complained to the Floor Supervisor, the Floor Supervisor had surveillance review the game. The patron was then told that the review was inconclusive and there was nothing else he could do. Upon review, the Agent found the tape to be blurry from the fixed camera shot and had difficulty determining what the cards were.
9. On August 16, 2008, a Gaming Agent received a call that Surveillance was having problems with a Primary Storage Node (PSN). The Agent spoke with the Surveillance Shift Supervisor who indicated that cameras 1081 through 1107 were not recording properly on the PSN network for the land camera and the Surveillance Tech had been notified. Upon investigation, the Agent found that the grave shift surveillance did the camera check for those cameras every night when they came in for their shift. The problem occurred after they were checked at 0730 hours. The problem was not found until the next shift the following day. The problem was finally resolved five hours after the Agents were notified. Two of the cameras were the ones required for the turnstiles. The cameras did not switch to another recording device nor send an alarm.

COUNT II

10. 68 IAC 11-1-6(b) states failure to comply with approved internal control procedures may result in the initiation of a disciplinary action. According to Grand Victoria's Internal Control Section 2-6, for twenty four (24) hour gaming Security will request any patrons playing an Electronic Gaming Device on the banks to be dropped to suspend play, and clear the aisle. Patrons will be allowed to remain within view of the Electronic Gaming Device from which their play was suspended. After all patrons and non-drop team employees have been cleared from the designated drop area, two (2) Security Officers will station themselves at opposite ends of the designated drop area. Security will prevent patrons and non-drop employees from entering the drop area while the bill validator drop boxes are being collected.
11. On August 20, 2008, a Gaming Agent was observing the daily drop process when he observed three separate incidents of patrons inside the drop area. In two of the incidents a security guard, while near the patrons, did not ask them to step around or outside of the drop area. The IGC Audit staff has reported twice in their unannounced audits that this is a continuous problem.

COUNT III

12. 68 IAC 14-3-2 (b) states that all playing cards must meet the following specifications:
(1) all decks of cards must be a complete standard deck of fifty-two cards in four suits. The four suits shall be hearts, diamonds, clubs and spades. Each suit shall consist of numerical cards from: (A) two to ten; (B) a jack; (C) a queen; (D) a king; and (E) an ace.
13. On September 10, 2008, a Gaming Agent was contacted by a Dual Rate Surveillance Observer who stated that a card was found under the railing on a Blackjack table. After reviewing the footage the Agent determined that the card "flew" under the railing during the wash of the cards at the beginning of the gaming day. The game was played for thirteen (13) hours without the card being discovered. The card was a queen of clubs.

COUNT IV

14. 68 IAC 15-1-2(a) states the purpose of the accounting records and procedures is to ensure the following:
(1) The assets of the riverboat licensee or riverboat applicants are safeguarded.
(6) That only authorized personnel have access to assets.
15. On September 1, 2008, a Gaming Agent was notified by a Surveillance Observer that a Cage Supervisor reported a fill bank drawer was found unsecured. A surveillance review confirmed that a Cage Cashier and Cage Supervisor failed to perform the double lock verification of the fill bank drawer. The drawer was left unsecured for an hour and fifteen minutes.

COUNT V

16. Pursuant to IC 4-33-9-12(a), 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.
17. 68 IAC 1-11-1(c) states a person under twenty-one (21) years of age shall not be present on a riverboat.
18. On August 9, 2008, a Gaming Agent in the surveillance room observed a young female walk through the turnstiles without being asked for identification. A few minutes later, she was stopped by a Security Sergeant who asked for identification. After the female presented her driver's license, the Security Sergeant realized the female was underage. The Security Sergeant then notified the Gaming Agent.

TERMS AND CONDITIONS

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

Grand Victoria shall pay to the Commission a total of \$49,000 (\$17,500 for Count I; \$15,000 for Count II (includes all drop area violations through October 31, 2008); \$5,000 for Count III; \$10,000 for Count IV; and \$1,500 for Count 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, Grand Victoria agrees to promptly remit payment in the amount of \$49,000 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 Grand Victoria.

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

11.14.08

Date



Steven Jimenez, General Manager
Grand Victoria Casino & Resort

11/7/08

Date