ORDER 2011-121 IN RE SETTLEMENT AGREEMENT

THE MAJESTIC STAR CASINO, LLC 11-MS-02

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



the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 2nd DAY OF JUNE, 2011.

THE INDIANA GAMING COMMISSION:

Timothy Multiphy, Che

ATTEST:

Marc Fine, Secretary

STATE OF INDIANA INDIANA GAMING COMMISSION

| IN RE THE MATTER OF: |) | |
|-------------------------------|---|------------|
| THE MAJESTIC STAR CASINO, LLC |) | SETTLEMENT |
| |) | 11-MS-01 |
| |) | |

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 March 6, 2011 a Gaming Agent was contacted by a Security Manager regarding identification ("ID") that was presented at the turnstile. The Manager did not believe that the individual that was presenting the ID was actually the person on the ID, since he did not look like the picture on the ID. Upon further review by surveillance the Agent was notified that the underage person was allowed on the casino after presenting the same ID earlier that day.

COUNT II

- 3. 68 IAC 12-1-5(f)(6) states electronic gaming device surveillance must be capable of providing on progressive games, dedicated coverage of the following:
 - i. Any electronic gaming device or group of electronic gaming devices with a possible jackpot payout in excess of fifty thousand dollars (\$50,000).
 - ii. The progressive display showing the incrementation of the progressive jackpot for an electronic gaming device or a bank of electronic gaming devices.
- 4. On January 11, 2011 Majestic Star was granted a waiver allowing the delay of dedicated camera coverage for any progressive slot machines with an immediate

jackpot of less than \$50,000, until the progressive display read a minimum of \$40,000. The waiver was granted on the condition that the accounting/income audit department would be responsible for verifying daily that the incrementation was correct on all progressive machines.

5. From January 25, though January 31, 2011 a Gaming Agent was calculating the rate of progression for a bank of machines. He found that the progressive amount was less than the approved progressive amount. On January 31, 2011 the Agent and a Slot Technician tested the bank of six machines and found that one of the machines was not being recognized by the progressive meter. The machine was repaired and was placed into service the following day.

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 \$8,000 (\$3,000 for Count I and \$5,000 for Count II) 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 \$8,000 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 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

Larry Back, General Manager The Majestic Star Casino, LLC The Majestic Star Casino II, Inc.

Date