

**ORDER 2017-167
IN RE SETTLEMENT AGREEMENT**

**THE MAJESTIC STAR CASINO, LLC and THE MAJESTIC STAR CASINO II,
LLC
17-MS-03**

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

APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 29th DAY OF SEPTEMBER, 2017.

THE INDIANA GAMING COMMISSION:



Cris Johnston, Chair

ATTEST:



Joseph Svetanoff, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
THE MAJESTIC STAR CASINO, LLC and)	17-MS-03
THE MAJESTIC STAR CASINO II, LLC)	
)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait 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. 68 IAC 2-3-9.2(b) states riverboat licensees must advise the enforcement agent, on a form prescribed or approved by the commission, when one (1) of the following events occurs with an occupational licensee: (1) The occupational licensee's employment with the riverboat licensee is terminated for any reason. 68 IAC 2-3-9.2(c) requires the form must be submitted to the enforcement agent within fifteen (15) days of the occurrence of the change or action.
2. On May 2, 2017, an HR Generalist delivered termination paperwork to a Gaming Agent. One of the terminations was for a Surveillance Officer. The date of separation was April 14, 2017.

COUNT II

3. 68 IAC 15-6-4(a) states the casino licensee's security department shall maintain a vendor and visitor log on forms prescribed or approved by the commission.
 - (b) Vendors and visitors must report to security to complete the vendor and visitor log and to obtain a badge. When the vendor or visitor leaves the casino, the vendor or visitor must complete the appropriate portion of the log.
 - (c) Vendors and visitors in the casino may not participate in a gambling game.
 - (d) Vendors and visitors in the casino must wear, in a conspicuous location, a badge issued by the security department.
 - (e) The vendor and visitor log shall contain the following information: (1) The name of the vendor or visitor. (2) The company or organization the vendor or visitor represents. (3) The date and time the vendor or visitor entered the casino.

(4) The purpose that necessitates the vendor or visitor entering the casino. (5) The date and time that the vendor or visitor exits the casino. The casino licensee is responsible for instituting a policy that ensures that vendor and visitor badges are returned to the security department and accounted for when the vendor or visitor exits the casino. (6) If the person is a visitor, the individual who authorized the visitor's presence in the casino. (7) Any other information deemed necessary by the executive director or the commission to ensure compliance with IC 4-33, IC 4-35, and this title.

(f) Vendors and visitors must be counted in the calculation of the total count to determine that the total occupancy does not exceed the capacity of the casino as set forth in the certificate of inspection issued by the commission or the United States Coast Guard, if applicable.

3. On February 9, 2017, a Gaming Agent observed an armed vendor pushing a dolly with a large plastic box and stopping at an ATM. The Gaming Agent approached the vendor, requested identification and asked what the nature of his work was at the casino. The vendor stated he was re-stocking ATMs with money. He advised he had three (3) ATMs in the pavilion and two (2) ATMs on Majestic Star I. The vendor had not checked in with Security when he arrived. He stated that for the past six (6) months he had parked on fourth (4th) floor of the garage, brought the money in, and re-stocked the ATMs in the pavilion before going on the casino floor to re-stock those ATMs. Majestic Star allowed the vendor to operate without checking in with Security and without a Security escort. The Gaming Agent advised the vendor that he needed to check in with Security and have a Security escort while on the casino floor.

COUNT III

5. 68 IAC 12-1-3(a) states casino licensees must install a surveillance system in accordance with this rule.
 - (b) Surveillance systems may use digital video recording to comply with the requirements of this rule.
 - (c) The equipment used in the surveillance system must meet or exceed the following standards: (13) Digital video systems, which are used to comply with the requirements of this rule for surveillance required by section 4 of this rule, must meet the following additional standards: (A) Digital video systems shall be enterprise systems capable of the following: (i) Instant replay. (ii) Recording what is viewed by any camera in the system. (iii) Allowing simultaneous recording and playback. (iv) Providing uninterrupted recording while using the playback or copy functions.
6. 68 IAC 12-1-4(a) states the surveillance system must be capable of monitoring activities on the: (1) casino floor; (2) support areas; (3) areas of the pavilion through which monies are transported; and (4) all other areas necessary to further

the purpose of the surveillance system; including, but not limited to, the areas specifically outlined in this rule.

(b) The executive director or the executive director's designee may require additional areas be monitored to ensure compliance with IC 4-33 and this title.

7. 68 IAC 12-1-7(a) states all recordings must be kept in accordance with this section.
 - (b) Recordings depicting routine activity must: (1) contain the date and time reading; and (2) be retained a minimum of seven (7) days.
 - (c) Recordings depicting detention or questioning of a detained individual or employee, procedural errors, regulatory violations, or criminal activity must be copied and provided to enforcement agents upon request. The casino licensee shall retain recordings under this section for a period of time not less than sixty (60) days and store the recordings in the following manner: (1) Analog video and audio tapes, and copies of digital video recordings stored on tape, digital video disk, or other storage medium for later reproduction must: (A) contain the date and time reading; (B) be marked with the: (i) date and time the recording was made; (ii) identities of the employee or employees responsible for the monitoring; and (iii) identity of the employee who removed the tape from the recorder and the time and date removed; and (C) be secured in a cabinet that is in close proximity to the surveillance room that is security-locked and accessible by surveillance employees only. (2) Digital video recordings not stored on tape, digital video disk, or other storage medium may be preserved by storing within the digital video system.
 - (d) Coverage that has been retained under this rule for a period of time exceeding seven (7) days may not be destroyed without the approval of the executive director or the executive director's designee.
8. On April 22, 2017, the Director of Surveillance notified a Gaming Agent that 65 cameras on Majestic Star II were malfunctioning due to the fact that video could not be reviewed when the camera was brought up on the video monitors. When a specific camera was left up on the screen for a certain period of time, the video playback would catch up after several minutes and then the video could be reviewed. After rebooting an archiver, all 65 cameras were functioning properly. This malfunction lasted four minutes. These cameras covered the following areas: Cage, Soft Count, Slot Tech Rooms, Poker tables, table games, kiosk, poker podium and poker room bad beat amount.
9. On May 13, 2017, a Surveillance Shift Manager reported a surveillance server had lost coverage. At 8:28am, the Surveillance Department noticed 98 cameras had lost their review function, all of which were on the same server. At 9:06 am, the server was rebooted and coverage was lost for four (4) minutes during the reboot. After the reboot, all functions were restored. The coverage was primarily slot overviews with nine (9) sensitive areas.

10. On May 30, 2017, at approximately 4:15 pm, the Director of Surveillance advised a Gaming Agent that the surveillance monitor room was having technical difficulties. The entire monitor room was unable to pull up live or recorded coverage on any camera. The Surveillance system was still operational in the main IGC office and the Gaming Agent advised the Director to Surveillance to send a Surveillance Officer to the IGC Office to use their system.

The Gaming Agent proceeded to the Surveillance monitor room with the Director of Surveillance. The Director of Surveillance reported all monitor room screens stated "No Video Found" or was loading screens. The screens had been in this state for 10 to 15 minutes. The Gaming Agent allowed Surveillance Technicians to attempt to correct the problem but halted table game fills and credits until the surveillance malfunction was resolved.

By approximately 5:25 pm, it was determined that the monitor room capabilities were restored. No coverage was lost on the gaming floor. A Surveillance Technical Manager advised a network switch on the servers in the monitor room was malfunctioning.

The Gaming Agent was advised that several cameras in the barge and pavilion had not been recording during the outage, including a room used for counting and/or storing funds from restaurants in the pavilion. This room is required to have coverage due to money being transported and stored in it.

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 \$13,500 (\$1,000 for Count I, \$5,000 for Count II and \$7,500 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 in the findings above. If the Commission subsequently discovers facts that give rise to additional or separate violations, the Commission may pursue disciplinary action for such violations even if the subsequent violations are similar or related to an incident described in the findings above.

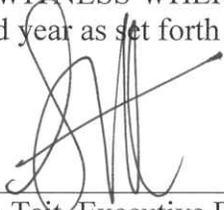
Upon execution and approval of this Settlement Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon

approval of the Settlement Agreement by the Commission, Majestic Star agrees to promptly remit payment in the amount of \$13,500 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.

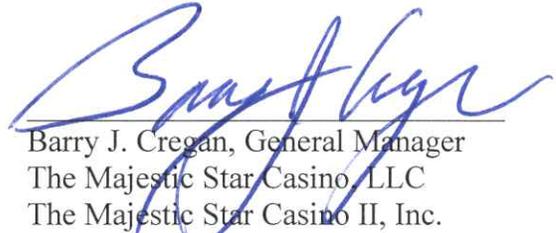
IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date and year as set forth below.



Sara Gonso Tait, Executive Director
Indiana Gaming Commission

9-25-17

Date



Barry J. Cregan, General Manager
The Majestic Star Casino, LLC
The Majestic Star Casino II, Inc.

9/18/17

Date