

**STATE OF NEW JERSEY  
Office of the Attorney General  
Department of Law and Public Safety  
Division of Gaming Enforcement  
Dkt No. 12- 0775-VC**

**STATE OF NEW JERSEY, DEPARTMENT  
OF LAW AND PUBLIC SAFETY,  
DIVISION OF GAMING ENFORCEMENT,** )  
)  
)  
)  
**Petitioner,** )  
)  
**v.** )  
)  
**HARRAH'S ATLANTIC CITY OPERATING  
COMPANY, LLC, d/b/a HARRAH'S MARINA )  
HOTEL & CASINO,** )  
)  
**Respondent.** )  
)  
\_\_\_\_\_ )

**ORDER**

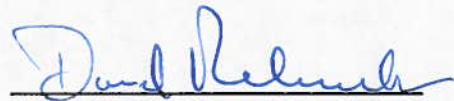
The Division filed a complaint on October 17 2012, Docket No. 12-0775-VC, seeking sanctions against HARRAH'S ATLANTIC CITY OPERATING COMPANY, LLC, d/b/a, HARRAH'S MARINA HOTEL & CASINO ("HARRAH'S") for reasons set forth therein and, more specifically that HARRAH'S a) caused gaming chips to be removed from a table inventory, b) caused complimentary items to be improperly issued, c) failed to utilize a "direct bet coupon" in the proscribed manner, and d) issued non-value gaming chips to a patron who did not purchase said chips; and

Having considered the relevant provisions of the Casino Control Act, N.J.S.A. 5:12-1 et seq., and the regulations promulgated thereunder, specifically N.J.A.C. 13:69D-1.20(a); N.J.A.C. 13:69D-1.9(g); and N.J.A.C. 13:69D-1.18(d); and

Having considered the Stipulation of Settlement which the parties executed and finding sufficient legal and factual support for the recommended penalty therein.

I hereby **ORDER** that the settlement be adopted and that a civil penalty in the amount of \$50,000 be imposed upon HARRAH'S, payable upon receipt of an invoice from the Division.

Dated: November 16, 2012

A handwritten signature in blue ink, appearing to read "David Rebeck", written over a horizontal line.

DAVID L. REBUCK  
DIRECTOR

**JEFFREY S. CHIESA**  
Attorney General of New Jersey  
Attorney for Complainant  
State of New Jersey  
Department of Law and Public Safety  
Division of Gaming Enforcement  
1300 Atlantic Avenue  
Atlantic City, New Jersey 08401

By: R. Lane Stebbins  
Deputy Attorney General  
609-317-6218

STATE OF NEW JERSEY  
DIVISION OF GAMING ENFORCEMENT  
DOCKET NO.: 12-0775-VC

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STATE OF NEW JERSEY, DEPARTMENT  
OF LAW AND PUBLIC SAFETY,  
DIVISION OF GAMING ENFORCEMENT,

Complainant,

v.

HARRAH'S ATLANTIC CITY OPERATING  
COMPANY, LLC, d/b/a HARRAH'S MARINA  
HOTEL & CASINO,

Respondent.

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Civil Action

STIPULATION OF  
SETTLEMENT

The matters involved in the above-captioned action, having been discussed by and between the parties involved, Jeffrey S. Chiesa, Attorney General of New Jersey, Department of Law and Public Safety, Division of Gaming Enforcement ("Division"), by R. Lane Stebbins, Deputy Attorney General, and HARRAH'S ATLANTIC CITY OPERATING COMPANY, LLC, d/b/a HARRAH'S MARINA HOTEL & CASINO

("Harrah's"), Respondent, by N. Lynne Hughes, Esq., Vice President Legal Affairs, and said matters having been resolved, it is hereby consented to and agreed by and between the parties

### **PRELIMINARY FACTS**

1. Respondent, Harrah's is a New Jersey enterprise having its principal place of business located at 777 Harrah's Boulevard, Atlantic City, New Jersey 08401.

2. Harrah's is the holder of a casino license first issued by the Casino Control Commission ("Commission") on or about November 19, 1981 and most recently renewed on or about June 18, 2008 to be effective July 1, 2008. At all times relevant herein, Harrah's was authorized to conduct casino gaming within its casino hotel facility.

### **APPLICABLE LAW**

3. N.J.A.C. 13:69D-1.9(g) was effective at all times referenced herein and provides:

All complimentary cash gifts shall be disbursed directly to the patron by a general cashier at the cashiers' cage or as otherwise provided in the casino licensee's internal controls after receipt of documentation.

4. N.J.A.C. 13:69D-1.20 was effective at all times referenced herein and provides:

(a) Whenever a gaming table in a casino or casino simulcasting facility is opened for gaming, operations shall commence with an amount of gaming chips, coins and plaques to be known as the

"table inventory." No casino licensee shall cause or permit gaming chips, coins or plaques to be added to, or removed from, such table inventory during the gaming day except:

1. In exchange for cash, coupons, issuance copies of Counter Checks, original pit redemption forms or documents prepared to evidence a credit or debit card chip transaction;
2. In payment of winning wagers and collection of losing wagers made at such gaming table;
3. In payment of the funds remaining in the game account of a patron who has completed play at an electronic gaming table;
4. In exchange for gaming chips or plaques received from a patron having an equal aggregate face value;
5. In conformity with the Fill and Credit procedures;
6. Coin used for the purpose of:
  - i. Marking vigorish;
  - ii. Placing an ante wager in an amount less than \$1.00 and in denominations of \$.25 or \$.50 in a poker game; and
  - iii. Paying a hand fee in blackjack;
7. In conformity with N.J.A.C. 13:69F-14.14, the rake collected from patrons playing the game of poker;
8. In conformity with a table inventory return device, utilized in authorized table games, the gaming chips wagered on the progressive payout;
9. In conformity with N.J.A.C. 13:69F-18.7, 18.8, and 18.9, gaming chips placed on or in the wagering devices utilized for the optional bonus wager in the game of let it ride poker pursuant to N.J.A.C. 13:69E-1.13H(e);
10. In redemption of a Counter Check;
11. In exchange for value gaming chips received as tips by the dealer for chips having an equal aggregate face value;
12. In exchange for value gaming chips collected for poker bad beat jackpots for chips having an equal aggregate face value; and
13. The collection of a table game hand fee.

5. N.J.A.C. 13:69D-1.18(d) provides, in pertinent part, that:

(d) A wager coupon (for example, match play coupon or direct bet coupon) shall only be accepted at a gaming table in which patrons wager against the house.

1. The coupon shall be positioned as follows:

- i. For all games other than craps or roulette, in the patron's betting area;
  - ii. For craps, only on the Pass or Don't Pass Line; or
  - iii. For roulette, only in the boxes marked "Black," "Red," "Odd," "Even," "1-18," "19-36," "1<sup>st</sup> 12," "2<sup>nd</sup> 12," or "3<sup>rd</sup> 12";
2. Only one wager coupon may be used per betting position for each round of play;
  3. If the wager wins, it shall be paid in accordance with the terms and conditions of the coupon and the applicable rules of the game; and
  4. Whether the wager wins or loses, the coupon shall be deposited by the dealer or boxperson into the drop box attached to the gaming table at the time the winning wager is paid or the losing wager is collected.

### **ALLEGATION AND ADMISSIONS**

6. The Division, by Complaint filed October 17, 2012, Docket No. 12-0775-VC, a copy of which is attached hereto as Exhibit "A", sought sanctions against Harrah's for reasons set forth therein and, more specifically that Harrah's:

- a. caused gaming chips to be removed from the table inventory in a manner not authorized or permitted by the regulations, in violation of N.J.A.C. 13:69D-1.20(a); and
- b. caused a complimentary in the form of gaming chips to be issued to a patron at a location other than the casino cage and without documentation, in violation of N.J.A.C. 13:69D-1.9(g); and
- c. utilized "direct bet coupons" in a manner not authorized or permitted by the regulations, in violation of N.J.A.C. 13:69D-1.18(d).

7. Respondent Harrah's acknowledges the accuracy of the facts set forth in Paragraph 6, above and admits that it violated the provisions N.J.A.C. 13:69D-1.20(a); N.J.A.C. 13:69D-1.9(g); and N.J.A.C. 13:69D-1.18(d).

### **PRIOR REGULATORY HISTORY OF THE LICENSEE**

8. Harrah's has not been the subject of any prior regulatory actions alleging violations of the within cited statutes or regulations.

### **CORRECTIVE ACTION OF THE LICENSEE AND MITIGATING FACTORS**

9. Harrah's has imposed appropriate discipline on each of its employees involved in this incident.

10. Harrah's has incorporated additional training on complimentary procedures for its gaming employees in its pre-shift meetings to ensure heightened awareness of standard complimentary procedures and potential pitfalls.

### **SETTLEMENT AGREEMENT**

IT IS THEREFORE AGREED AND STIPULATED by and between the parties hereto that:

A. The facts stated herein are true and accurate.

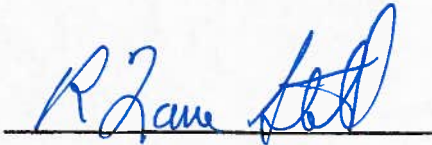
B. Respondent Harrah's admits that it violated the provisions of the Act and the regulations, specifically N.J.A.C. 13:69D-1.20(a); N.J.A.C. 13:69D-1.9(g); and N.J.A.C. 13:69D-1.18(d);

C. For the violations admitted in Paragraphs B, above, Respondent, Harrah's, shall pay to the New Jersey Casino Revenue Fund, as a civil penalty pursuant N.J.S.A. 5:12-129(5), and in recognition of the provisions of N.J.S.A. 5:12-130, the sum

of \$50,000.

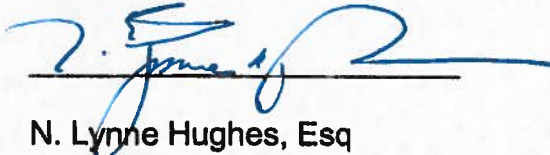
D. The parties agree that a monetary penalty, in the total amount of \$50,000 is just and equitable and in accordance with the criteria set forth in N.J.S.A. 5:12-130, and shall be in full and final settlement of the allegations set forth in the above-captioned complaint.

The undersigned consent to the form and entry of the above Stipulation.



Dated: 11/16/12

R. Lane Stebbins  
Deputy Attorney General  
Attorney for Complainant



Dated: 11/16/2012

N. Lynne Hughes, Esq  
Vice President Legal Affairs  
Harrah's Atlantic City Operating Company, LLC





**Count I**  
**(Blackjack)**

1. Respondent, Harrah's Atlantic City Operating Company, LLC, d/b/a Harrah's Marina Hotel & Casino (hereinafter "Harrah's") is a New Jersey enterprise having its principal place of business located at 777 Harrah's Boulevard, Atlantic City, New Jersey 08401.

2. Harrah's is the holder of a casino license first issued on or about November 19, 1981, and most recently renewed on or about June 18, 2008, effective July 1, 2008. At all times relevant herein, Harrah's was authorized to conduct casino gaming within its casino hotel facility.

3. Donald J. Marrandino (hereinafter "Marrandino ") is the holder of a casino key employee license. At all times relevant herein, Marrandino was the President of Caesars Entertainment's Eastern Division.

4. Howard S. Weiss (hereinafter "Weiss") is the holder of a casino employee license. At all times relevant herein, Weiss was employed by Harrah's as the Director of Nightlife Operations.

5. N.J.A.C. 13:69D-1.9(g) was effective at all times referenced herein

and provides:

All complimentary cash gifts shall be disbursed directly to the patron by a general cashier at the cashiers' cage or as otherwise provided in the casino licensee's internal controls after receipt of documentation.

6. N.J.A.C. 13:69D-1.20 was effective at all times referenced herein

and provides:

(a) Whenever a gaming table in a casino or casino simulcasting facility is opened for gaming, operations shall commence with an amount of gaming chips, coins and plaques to be known as the "table inventory." No casino licensee shall cause or permit gaming chips, coins or plaques to be added to, or removed from, such table inventory during the gaming day except:

1. In exchange for cash, coupons, issuance copies of Counter Checks, original pit redemption forms or documents prepared to evidence a credit or debit card chip transaction;
2. In payment of winning wagers and collection of losing wagers made at such gaming table;
3. In payment of the funds remaining in the game account of a patron who has completed play at an electronic gaming table;
4. In exchange for gaming chips or plaques received from a patron having an equal aggregate face value;
5. In conformity with the Fill and Credit procedures;
6. Coin used for the purpose of:
  - i. Marking vigorish;
  - ii. Placing an ante wager in an amount less than \$1.00 and in denominations of \$.25 or \$.50 in a poker game; and
  - iii. Paying a hand fee in blackjack;
7. In conformity with N.J.A.C. 13:69F-14.14, the rake collected from patrons playing the game of poker;
8. In conformity with a table inventory return device, utilized in authorized table games, the gaming chips wagered on the progressive payout;

9. In conformity with N.J.A.C. 13:69F-18.7, 18.8, and 18.9, gaming chips placed on or in the wagering devices utilized for the optional bonus wager in the game of let it ride poker pursuant to N.J.A.C. 13:69E-1.13H(e);

10. In redemption of a Counter Check;

11. In exchange for value gaming chips received as tips by the dealer for chips having an equal aggregate face value;

12. In exchange for value gaming chips collected for poker bad beat jackpots for chips having an equal aggregate face value; and

13. The collection of a table game hand fee.

7. On August 26, 2012, at approximately 2:10 a.m., Marrandino and Weiss were present with a celebrity patron at Pit #10, Blackjack Table BJ-153.

8. At approximately 2:20 a.m., at the verbal request of Marrandino, Weiss directed that the dealer assigned to Blackjack Table BJ-153 remove gaming chips having a value of \$1,000 from the table inventory and present the gaming chips to the celebrity patron. The dealer complied with the request but did not receive currency, documentation or other indicia of value from any person in exchange for the \$1,000 in gaming chips.

9. Subsequent to the events described in Paragraph 8, above, the celebrity patron wagered and lost the \$1,000 received from the table inventory.

10. At approximately 2:40 a.m., again at the verbal request of Marrandino, Weiss directed that the dealer assigned to Blackjack Table BJ-153 remove

gaming chips having a value of \$500 from the table inventory and present the gaming chips to the celebrity patron. The dealer again complied with the request but did not receive currency, documentation or other indicia of value from any person in exchange for the \$500 in gaming chips.

11. Subsequent to the events described in Paragraph 10 above, the celebrity patron wagered and lost the \$500 received from the table inventory. At approximately 2:58 a.m. the celebrity patron left the gaming table.

12. Based upon the information in Paragraphs 1 through 11 above, Harrah's games personnel caused gaming chips to be removed from the table inventory of Pit #10, Blackjack Table BJ-153 in a manner not authorized or permitted by the regulations, in violation of N.J.A.C. 13:69D-1.20(a).

13. Based upon the information in Paragraphs 1 through 11 above, Harrah's games personnel caused a complimentary, in the form of gaming chips, to be issued to a patron at a location other than the casino cage and without documentation, in violation of N.J.A.C. 13:69D-1.9(g).

WHEREFORE, Complainant demands judgment as follows:

A. Judgment that Harrah's, by causing gaming chips to be removed from the table inventory in a manner not authorized or permitted by the regulations, violated N.J.A.C. 13:69D-1.20(a);

B. Judgment that Harrah's, by causing a complimentary in the form of gaming chips to be issued to a patron at a location other than the casino cage and without documentation, violated N.J.A.C. 13:69D-1.9(g);

C. Judgment imposing an appropriate monetary penalty pursuant to N.J.S.A. 5:12-129(5) upon Harrah's for said violations; and,

D. Judgment imposing such other relief as may be deemed just and appropriate.

**Count II**  
**(Roulette)**

14. Paragraphs 1 through 11 of COUNT I are incorporated by reference herein and made a part hereof as if set forth at length herein.

15. N.J.A.C. 13:69E-1.5(a) provides, in pertinent part, that:

No patron at a gaming table shall be issued or permitted to game with non-value chips that are identical in color and design to any non-value chip issued to any other patron at the same table. When a patron purchases non-

value chips, a non-value chip of the same color and design shall be placed in a slot or receptacle attached to the outer rim of the roulette wheel or, for pokette, in such other device as approved by the Division.

16. N.J.A.C. 13:69D-1.18(d) provides, in pertinent part, that:

(d) A wager coupon (for example, match play coupon or direct bet coupon) shall only be accepted at a gaming table in which patrons wager against the house.

1. The coupon shall be positioned as follows:

i. For all games other than craps or roulette, in the patron's betting area;

ii. For craps, only on the Pass or Don't Pass Line; or

iii. For roulette, only in the boxes marked "Black," "Red," "Odd," "Even," "1-18," "19-36," "1<sup>st</sup> 12," "2<sup>nd</sup> 12," or "3<sup>rd</sup> 12";

2. Only one wager coupon may be used per betting position for each round of play;

3. If the wager wins, it shall be paid in accordance with the terms and conditions of the coupon and the applicable rules of the game; and

4. Whether the wager wins or loses, the coupon shall be deposited by the dealer or boxperson into the drop box attached to the gaming table at the time the winning wager is paid or the losing wager is collected.

17. On August 26, 2012, at approximately 3:44 a.m., and subsequent to the events described in Count 1 of this complaint, the celebrity patron, Marrantino, and Weiss, together with other individuals, went to Harrah's main gaming floor, specifically, Pit #1, Roulette Table RO-114.

18. Upon arriving at Pit #1 table RO-114, Marrantino asked the casino shift manager to arrange for the complimentary issuance of \$500 in gaming

chips to the celebrity patron. At the direction of Marrandino, the casino shift manager attempted to cause a cash complimentary to be issued to the celebrity patron, but she was unable to complete the complimentary transaction as the casino cage personnel were without the required identification from the celebrity patron who was then at the gaming table.

19. Subsequent to the events described in Paragraph 18 above, in an attempt to fulfill Marrandino's request, the casino shift manager presented 5 "direct bet coupons" each having a value of \$100 to the dealer and instructed the dealer to issue non-value gaming chips to be used in Roulette, having a value of \$500, to the celebrity patron.

20. Upon receipt of the "direct bet coupons", the dealer, as instructed, removed non-value gaming chips from the Roulette table inventory, presented the non-value gaming chips having a value of \$500 to the celebrity patron, and placed the "direct bet coupons" into the table game drop box. The celebrity patron did not offer cash or other allowable indicia of value to the dealer and, therefore, did not purchase the non-value gaming chips.

21. At approximately 4:25 a.m., the celebrity patron left the gaming table.



22. Based upon the information in Paragraphs 14 through 21 above, Harrah's, by exchanging "direct bet coupons" for non-value gaming chips, utilized "direct bet coupons" in a manner not authorized or permitted by the regulations, violated N.J.A.C. 13:69D-1.18(d).

23. Based upon the information in Paragraphs 14 through 21 above, Harrah's, issued non-value gaming chips to the celebrity patron who did not purchase the chips, in violation of N.J.A.C. 13:69E-1.5(a).

WHEREFORE, Complainant demands judgment as follows:

A. Judgment that Harrah's, by exchanging "direct bet coupons" for non-value gaming chips utilized "direct bet coupons" in a manner not authorized or permitted by the regulations, in violation of N.J.A.C. 13:69D-1.18(d);

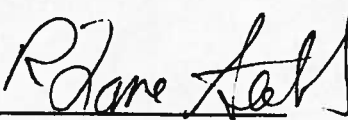
B. Judgment that Harrah's, by issuing non-value gaming chips to a patron who did not purchase the chips, violated N.J.A.C. 13:69E-1.5(a);

C. Judgment imposing an appropriate monetary penalty pursuant to N.J.S.A. 5:12-129(5) upon Harrah's for said violations; and,

D. Judgment imposing such other relief as may be deemed just and appropriate.

Respectfully submitted,

**JEFFREY S. CHIESA**  
Attorney General of New Jersey  
Attorney for Complainant

By:   
R. Lane Stebbins  
Deputy Attorney General

Dated:  18, 2012

A-12-12-094