

**BEFORE THE CASINO CONTROL COMMISSION  
STATE OF OHIO**

<b>IN THE MATTER OF</b>	:	
	:	<b>Case No. 2022-REG-001</b>
<b>Hard Rock Casino Cincinnati, LLC</b>	:	
<b>Casino Revenue Drop, Count, Tax</b>	:	
<b>Filing, and Payment Violations.</b>	:	

**SETTLEMENT AGREEMENT**

This Settlement Agreement (“Agreement”) is made by and between Hard Rock Casino Cincinnati, LLC (“HRCC”) and the Ohio Casino Control Commission (“Commission”) for the purpose of resolving Commission Case No. 2022-REG-001. Together, HRCC and the Commission are referred to as “the parties.”

**WHEREAS**, the Commission is responsible for the administration and enforcement of R.C. Chapter 3772 and the rules adopted thereunder, which regulate the conduct of casino gaming in the State of Ohio;

**WHEREAS**, HRCC is a Casino Operator Licensee that owns and operates the Hard Rock Casino Cincinnati facility;

**WHEREAS**, the Commission, pursuant to its authority to regulate, investigate, and penalize casino operators, discovered violations of Ohio law and HRCC’s Commission-approved internal controls or approved procedures during the course of normal daily operations at HRCC’s facility;

**WHEREAS**, as a result of this discovery, the Commission issued a Notice of Violation and Opportunity for Hearing (“Notice”), dated January 7, 2022, to HRCC, pursuant to and in accordance with R.C. Chapters 119 and 3772 and Ohio Adm.Code Chapters 3772-21 and 3772-22;

**WHEREAS**, the Commission procedurally complied with R.C. Chapters 119 and 3772 and established jurisdiction over this matter; and

**WHEREAS**, Commission Case No. 2022-REG-001 has not yet been brought before the Commission for final adjudication, as required by R.C. Chapters 119 and 3772, and the parties enter this Agreement in lieu of issuance of a final adjudicatory order by the Commission.

**NOW THEREFORE**, in consideration of the mutual promises expressed herein, and with intent to be legally bound, the parties **AGREE** as follows:

1. HRCC Admissions

- A. During the course of normal daily operations at HRCC’s facility, Commission staff discovered practices that violated Ohio law and HRCC’s Commission-approved internal controls or approved procedures.
- B. As a result, the Commission issued the Notice, Case No. 2022-REG-001, providing HRCC with an opportunity for a hearing to contest the allegations.
- C. Casino Revenue Drop, Count, Tax Filing, and Payment Violations:
  - i. HRCC failed to accurately and timely file and pay Gross Casino Revenue Tax, as described in the Notice, in violation of Ohio Adm.Code 3772-10-04(C); and
  - ii. HRCC failed to accurately and timely perform the daily collection or count, as described in the Notice, as required by Ohio Adm.Code 3772-10-18(A).
- D. While HRCC does not contest the findings and agrees to the settlement, HRCC states that it has instituted the following remedial actions upon discovering the violations:
  - i. Upon becoming aware of the issues and deficiencies with the reporting in finance, HRCC reviewed same with certain personnel and took immediate action including termination of certain personnel;
  - ii. HRCC hired an individual as Cage and Count Team Director whose focus is on hiring, retention and training of personnel;
  - iii. HRCC prioritized the hiring of prioritized count and cage staff positions and increased salaries for positions and added retention and sign on bonuses;
  - iv. HRCC purchased new counting department equipment to eliminate downtime;
  - v. Chief Financial Officer of HRCC implemented weekly meetings with finance team to ensure all reports are being prepared and filed appropriately;
  - vi. Compliance Department implemented weekly meetings with Finance Department to ensure compliance with reporting requirements, and
  - vii. Additional training was instituted for all current team members and new hires.

2. Pursuant to this Agreement, Commission Case No. 2022-REG-001 is **ADMINISTRATIVELY CLOSED**. Accordingly, the Commission makes no specific findings regarding the allegations described in the Notice.
3. The Admissions contained in Paragraph 1 of this Agreement by itself will not be a basis for future action against HRCC, except as set forth in Paragraph 4 of this Agreement. The Commission makes no further statements or representations with respect to the admissions referenced or HRCC's compliance with Ohio law.
4. Nothing in this Agreement precludes the Commission from:
  - a. Investigating and prosecuting HRCC for violations of or non-compliance with this Agreement or for separate violations of or non-compliance with R.C. Chapter 3772 or the rules adopted thereunder; or
  - b. Limits the Commission's exercise of authority and discretion with respect to imposing additional conditions upon or taking further action against HRCC under R.C. Chapter 3772 and the rules adopted thereunder for matters not contemplated in this Agreement.
5. HRCC will pay a monetary fine in the amount of \$125,000.00.
6. HRCC will ensure, and demonstrate to the Commission, that its personnel are properly trained on all laws, policies, procedures, and Commission-approved internal controls or approved procedures relevant to each employee's individual function, as it relates to the admissions in Paragraph 1, as described and required by Ohio Adm.Code 3772-10-04(C) and 3772-10-18(A).
7. HRCC will ensure, and demonstrate to the Commission, that it has and will continue to file accurate information with the Ohio Department of Taxation.
8. HRCC will ensure, and demonstrate to the Commission, that it will adequately staff its drop, count, and accounting departments.
9. HRCC will ensure, and demonstrate to the Commission, that it will provide adequate training to its staff in the drop, count, and accounting departments.
10. Upon the date of the last signature of the parties, this Agreement is effective and binding upon the parties and any and all successors, assigns, subsidiaries, agents, employees, or representatives of the parties or any other affiliates.
11. The parties have read and understand this Agreement and have entered into the same knowingly, voluntarily, and with the opportunity to gain advice of counsel.

12. This Agreement is entered into by the parties and may be executed in counterparts or facsimiles, each of which will be deemed an original and all of which will constitute the same instrument.
13. This Agreement contains the entire agreement between the parties with respect to the subject matter and supersedes all prior agreements and understanding, oral or written, with respect to such matters. This Agreement may be modified only by a further writing that is duly executed by the parties.
14. The provisions of this Agreement are severable and independent; and, if any provision is determined to be unenforceable, in whole or in part, the remaining provisions and any partially enforceable portion of the subject is nevertheless binding and enforceable.
15. This Agreement is governed by and construed in accordance with the laws of the State of Ohio, and the exclusive venue for any cause of action arising from it will be a court of competent jurisdiction in the State of Ohio, County of Franklin.

*(Remainder of page intentionally left blank; signature page follows.)*

**IN WITNESS WHEREOF**, the parties to this **SETTLEMENT AGREEMENT** have either executed it or caused it to be executed by their duly authorized representatives:

**Accepted by:**



\_\_\_\_\_  
Hard Rock Casino Cincinnati, LLC  
By: George Goldhoff, President

03.18.22

\_\_\_\_\_  
Date



\_\_\_\_\_  
Ohio Casino Control Commission  
By: June E. Taylor, Chair

4/20/2022

\_\_\_\_\_  
Date