



1 NGC 20-01

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5 **STATE OF NEVADA**

6 **BEFORE THE NEVADA GAMING COMMISSION**

7 NEVADA GAMING CONTROL BOARD,

8 Complainant,

9 vs.

10 SAM-WILL, INC., dba
11 FREMONT HOTEL AND CASINO,

12 Respondent.

COMPLAINT

13 The State of Nevada, on relation of its NEVADA GAMING CONTROL BOARD
14 (BOARD), Complainant herein, by and through its counsel, AARON D. FORD, Attorney
15 General, and EDWARD L. MAGAW, Senior Deputy Attorney General, hereby files this
16 Complaint before the Nevada Gaming Commission (NGC or Commission) for disciplinary
17 action against SAM-WILL, INC., dba FREMONT HOTEL AND CASINO (FREMONT),
18 Respondent herein, pursuant to Nevada Revised Statute (NRS) 463.310(2), and alleges as
19 follows:

20 **JURISDICTION**

21 1. Complainant, BOARD, is an administrative agency of the State of Nevada duly
22 organized and existing under and by virtue of Chapter 463 of NRS and is charged with the
23 administration and enforcement of the gaming laws of this State as set forth in Title 41 of
24 NRS (Nevada Gaming Control Act) and the Regulations of the Commission.

25 2. Respondent, FREMONT, located at 200 Fremont Street, Las Vegas, Nevada
26 89101, currently holds a nonrestricted gaming license, and, as such, is charged with the
27 responsibility of complying with all of the provisions of the Nevada Gaming Control Act
28 and the Regulations of the Commission.

1 INTRODUCTION

2 3. On December 18, 2019, the BOARD initiated an investigation of FREMONT
3 after receiving a report from the Director of Regulatory Compliance for FREMONT's parent
4 corporation, Boyd Gaming Corporation, regarding an incident that occurred on or about
5 November 24, 2019, on the licensed gaming premises of FREMONT. The incident involved
6 the wrongful detention of a patron and the wrongful taking of the patron's money as a
7 result of a negligent investigation by FREMONT personnel into allegations made against
8 the patron by another patron.

9 4. The incident started when FREMONT security received a report alleging that a
10 female patron had stolen wagering credits belonging to another female patron who claimed
11 she had left them on a slot machine. Although there were ample avenues available to
12 reconstruct the alleged events, FREMONT personnel failed to pursue those avenues.
13 Instead, they performed a cursory, incomplete, and factually flawed investigation,
14 wrongfully concluding that the accused patron had committed the alleged act and was
15 guilty of misdemeanor theft. A proper investigation would have revealed that the claim
16 against the patron was not valid.

17 5. Not long after the report had been made, FREMONT security officers tracked
18 down the accused patron playing another slot machine within the establishment. Rather
19 than approach the patron and calmly ask her for her side of the story, multiple security
20 officers surrounded her, while another security officer suddenly and forcefully grabbed her
21 neck and arm from behind and made her stand-up. She was then placed in handcuffs and
22 walked across the casino floor to the security office. At no point during this incident did the
23 accused show any sign of being a flight risk or of posing any threat to the officers. The level
24 of force used by FREMONT security was unreasonable given the circumstances and did not
25 adhere to FREMONT's written policies. Further, at this point, FREMONT security officers
26 had not gathered any evidence to verify the claims against the accused patron other than
27 the word of the patron who had made the accusation.

28 . . .

1 6. The accused patron was restrained, in handcuffs, in the FREMONT security
2 office for approximately ninety minutes, during which time she professed her innocence. In
3 response, FREMONT security personnel berated the accused patron, at one point shouting
4 at her to calm down. FREMONT dismissed the accused patron's side of the course of events,
5 having already decided she was guilty of the accusations. They failed to gather and
6 evaluate the available evidence. Other FREMONT personnel, including surveillance and
7 slot personnel, were also negligent in interpreting the available video and relevant slot
8 reports that, if examined properly, would have exonerated the accused patron.

9 7. When officers from the Las Vegas Metropolitan Police Department (LVMPD)
10 arrived to investigate the incident, FREMONT personnel provided them with inaccurate
11 information to support their false and unverified version of events and their conclusion that
12 the accused patron had committed the alleged act.

13 8. Ultimately, when threatened with being arrested for misdemeanor theft and
14 taken to the county jail, the accused patron reluctantly – and under protest – paid over a
15 sum of money equal to the amount of the alleged theft (\$202.00), and she was released from
16 custody. The money was then turned over to the female patron who had made the allegation
17 of theft.

18 9. When FREMONT self-reported the incident to the BOARD nine days after it had
19 occurred, the report was incomplete. It was missing crucial statements from involved
20 employees, and those statements that were provided were lacking adequate detail
21 regarding the events of the incident or were inconsistent with what the BOARD discovered
22 during its investigation. Further, the report did not adequately discuss the corrective
23 measures taken by FREMONT to prevent such incidents from occurring in the future and
24 did not adequately disclose the disciplinary actions taken against the FREMONT personnel
25 involved in the incident.

26 10. Based on the incident and the inadequate response thereto, FREMONT, and its
27 respective personnel, have demonstrated a failure to exercise discretion and sound
28 judgment in their business operations.

1 11. Such failures, as set forth in this Complaint, constitute an unsuitable method
2 of operation and provide the basis for this disciplinary action.

3 **RELEVANT LAW**

4 12. The Nevada Legislature set forth the importance of the gaming industry to the
5 State of Nevada and its responsibility to the State's inhabitants in NRS 463.0129(1), which
6 reads in relevant part as:

7 (a) The gaming industry is vitally important to the economy
8 of the State and the general welfare of the inhabitants.

9 (b) The continued growth and success of gaming is
10 dependent upon public confidence and trust . . . that
11 establishments which hold restricted and nonrestricted licenses
12 where gaming is conducted and where gambling devices are
13 operated do not unduly impact the quality of life enjoyed by
14 residents of the surrounding neighborhoods

15 (c) Public confidence and trust can only be maintained by
16 strict regulation of all persons, locations, practices, associations
17 and activities related to the operation of licensed gaming
18 establishments

19 (d) All establishments where gaming is conducted and where
20 gaming devices are operated . . . must therefore be licensed,
21 controlled and assisted to protect the public health, safety,
22 morals, good order and general welfare of the inhabitants of the
23 State, to foster the stability and success of gaming and to
24 preserve the competitive economy and policies of free
25 competition of the State of Nevada.

26 NRS 463.0129(1)(a)-(d).

27 13. To ensure proper oversight and control over the gaming industry, the Nevada
28 Legislature has granted the Commission "full and absolute power and authority to limit,
condition, restrict, revoke or suspend any license . . . or fine any person licensed . . . for any
cause deemed reasonable by the Commission." NRS 463.1405 (4).

14 14. The BOARD is authorized to observe the conduct of licensees in order to
15 ensure that gaming operations are not being operated in an unsuitable manner or by an
16 unqualified or unsuitable person. NRS 463.1405(1) and Nev. Gaming Comm'n Reg. 5.040.

17 15. A person must not receive a license unless the Commission is satisfied that
18 the applicant is a (1) "person of good character, honesty and integrity," (2) "whose prior
19 activities, . . . reputation, habits and associations do not pose a threat to the public interest
20 of this State or to the effective regulation and control of gaming . . . or create or enhance

1 the dangers of unsuitable . . . or illegal practices, methods;” and (3) is in “all other respects
2 qualified to be licensed . . . consistently with the declared policy of the State.” NRS
3 463.170(2).

4 16. Each licensee bears the continuing obligation to continue to meet such
5 standards and qualifications, and failure to do so constitutes grounds for disciplinary
6 action. NRS 463.170(8) and Nev. Gaming Comm’n Reg. 5.040.

7 17. The burden of proving a licensee’s qualifications to continue to hold a license
8 rests at all times on the licensee. Nev. Gaming Comm’n Reg. 5.040.

9 18. Nevada Gaming Commission Regulation 5.010(1) states that it is “the policy
10 of the Commission and the Board to require that all establishments wherein gaming is
11 conducted in this state be operated in a manner suitable to protect the public health, safety,
12 morals, good order and general welfare of the inhabitants of the State of Nevada.”

13 19. Nevada Gaming Commission Regulation 5.010(2) states that responsibility
14 “for the employment and maintenance of suitable methods of operation rests with the
15 licensee, and willful or persistent use or toleration of methods of operation deemed
16 unsuitable will constitute grounds for license revocation or other disciplinary action.”

17 20. Nevada Gaming Commission Regulation 5.011 states, in relevant part, as
18 follows:

19 1. The Board and the Commission deem any activity on the
20 part of a licensee, registrant, or person found suitable by the
21 Commission, or an agent or employee thereof, that is inimical to
22 the public health, safety, morals, good order, or general welfare
23 of the people of the State of Nevada, or that would reflect or tend
24 to reflect discredit upon the State of Nevada or the gaming
25 industry, to be an unsuitable method of operation and shall be
26 grounds for disciplinary action by the Board and the Commission
27 in accordance with the Nevada Gaming Control Act and the
28 regulations of the Commission. The following acts or omissions,
without limitation, may be determined to be unsuitable methods
of operation:

(a) Failure to exercise discretion and sound judgment to
prevent incidents which might reflect on the repute of the State
of Nevada and act as a detriment to the development of the
industry.

....

1 (k) Failure to conduct gaming operations in accordance with
2 proper standards of custom, decorum, and decency, or permit a
3 type of conduct in a gaming establishment that reflects or tends
4 to reflect on the repute of the State of Nevada and act as a
5 detriment to the gaming industry.

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7 2. The Commission, in the exercise of its sound discretion,
8 may make its own determination as to whether or not a licensed
9 gaming establishment or other gaming business has failed to
10 comply with a law or regulation described in paragraph (h) of
11 subsection 1, but any such determination shall make use of
12 established precedents when interpreting the applicable statute.
13 Nothing in this section affects the right of a licensee to judicial
14 review.

15 Nev. Gaming Comm'n Reg. 5.011(1)(a), and (k), and (2).

16 21. Nevada Gaming Commission Regulation 5.030 provides as follows:

17 Violation of any provision of the Nevada Gaming Control Act or
18 of these regulations by a licensee, the licensee's agent or
19 employee shall be deemed contrary to the public health, safety,
20 morals, good order and general welfare of the inhabitants of the
21 State of Nevada and grounds for suspension or revocation of a
22 license. Acceptance of a state gaming license or renewal thereof
23 by a licensee constitutes an agreement on the part of the licensee
24 to be bound by all of the regulations of the Commission as the
25 same now are or may hereafter be amended or promulgated. It
26 is the responsibility of the licensee to keep informed of the
27 content of all such regulations, and ignorance thereof will not
28 excuse violations.

Nev. Gaming Comm'n Reg. 5.030.

22. Nevada Revised Statute 463.310 states in relevant part as follows:

1. The Board shall make appropriate investigations:

(a) To determine whether there has been any violation of this
chapter or chapter 462, 464, 465 or 466 of NRS or any regulations
adopted thereunder.

(b) To determine any facts, conditions, practices or matters
which it may deem necessary or proper to aid in the enforcement
of any such law or regulation.

. . . .

2. If, after any investigation the Board is satisfied that:

(a) A license, registration, finding of suitability, preliminary
finding of suitability, pari-mutuel license or prior approval by the
Commission of any transaction for which the approval was
required or permitted under the provisions of this chapter or
chapter 462, 464 or 466 of NRS should be limited, conditioned,
suspended or revoked; or

1 (b) A person or entity which is licensed, registered, found
2 suitable pursuant to this chapter or chapter 464 of NRS or which
3 previously obtained approval for any act or transaction for which
4 Commission approval was required or permitted under the
5 provisions of this chapter or chapter 464 of NRS should be fined,
6 the Board shall initiate a hearing before the Commission by
7 filing a complaint with the Commission in accordance with NRS
8 463.312 and transmit therewith a summary of evidence in its
9 possession bearing on the matter and the transcript of testimony
10 at any investigative hearing conducted by or on behalf of the
11 Board.

12 NRS 463.310(1)(a) and (b), and (2).

13 23. In response to a Complaint brought by the Board, NRS 463.310(4) provides in
14 relevant part that the Commission may:

15 (a) Limit, condition, suspend or revoke the license of any
16 licensed gaming establishment or the individual license of any
17 licensee without affecting the license of the establishment;

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19 (d) Fine each person or entity or both, which is licensed,
20 registered, found suitable . . . pursuant to this chapter or chapter
21 464 of NRS . . . :

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23 (2) . . . not more than \$100,000 for each separate violation
24 of the provisions of this chapter or chapter 464 or 465 of NRS or
25 of the regulations of the Commission which is the subject of an
26 initial complaint and not more than \$250,000 for each separate
27 violation of the provisions of this chapter or chapter 464 or 465
28 of NRS or of the regulations of the Commission which is the
subject of any subsequent complaint.

NRS 463.310(4)(a) and (d)(2).

29 BACKGROUND

30 A. Events Leading Up To The Incident.

31 24. Shortly after midnight on November 24, 2019, a female patron (hereinafter
32 "Patron-1"¹) was playing a slot machine (hereinafter "Machine 4").

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38 ¹ To protect the identities of the patrons involved, they will be referred to by
"Patron-1" and "Patron-2" rather than their names. Patron-1 is the patron who made the
allegations. Patron-2 is the person against whom the allegations are made.

1 25. While Patron-1 was playing Machine 4, Patron-2 sat down at a slot machine
2 down the row from Patron-1 (hereinafter "Machine 7") and began playing it. Shortly after
3 inserting her money into Machine 7, Patron-2 obtained a winning combination of three 7's.

4 26. Patron-2 then cashed out and took the printed slot payout voucher to another
5 machine in a different row.

6 27. A short time later, Patron-1 cashed out on Machine 4, took the slot printout
7 voucher from the machine, folded it in half, and placed it in the right pocket of her sweater.
8 She then moved to an adjacent slot machine (hereinafter "Machine 5").

9 28. Patron-1 inserted her player's card into Machine 5 and attempted to insert
10 cash. Machine 5, however, did not accept her cash. After a few attempts to insert her money
11 into Machine 5, Patron-1 got up from the machine and attempted to find someone from the
12 casino to assist her.

13 29. In the meantime, Patron-2 had returned to the same row of machines and had
14 begun playing another slot machine in the row (hereinafter "Machine 10").

15 30. Patron-1 then walked down the aisle looking for someone to help her with
16 Machine 5.

17 31. A short time later, Patron-2 cashed out on Machine 10 and moved down to
18 Machine 4, the machine that Patron-1 had been playing earlier but had cashed out from.

19 32. Patron-1 observed Patron-2 move to Machine 4. She then approached Patron-
20 2 and started talking to her. According to Patron-2, Patron-1 told her that she had left \$20
21 in Machine 4. Patron-2 then told Patron-1 that she was mistaken. At that point, Patron-2
22 believed that Patron-1 was trying to scam her, so she cashed out from Machine 4 and moved
23 to another machine down the row (hereinafter "Machine 2").

24 33. Patron-1 then followed Patron-2 to Machine 2 and continued to talk to her.

25 34. While Patron-1 was still talking to her, Patron-2, appearing bothered by
26 Patron-1, cashed out from Machine 2 and left the area.

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1 35. During the BOARD's investigation, an examination of the cash-out logs for
2 Machine 4, and a comparison of those logs to the surveillance recordings, clearly
3 established:

4 a. That at 12:19 AM, Patron-1 had cashed out of Machine 4 for \$202, pocketed
5 the payout voucher, and then attempted to play Machine 5 using cash;

6 b. That at no time did Patron-1 reinsert any cash or slot vouchers into
7 Machine 4;

8 c. That at no time did any other patron play Machine 4 between Patron-1 and
9 Patron-2;

10 d. That prior to moving to Machine 4, Patron-2 had cashed out from
11 Machine 10, generating a slot payout voucher in the amount of \$227;

12 e. That at 12:23 AM, Patron-2 inserted a slot payout voucher in the amount
13 of \$227 into Machine 4; and

14 f. That at 12:24 AM, Patron-2 cashed out from Machine 4 in the amount of
15 \$401.²

16 36. This basic – and easily obtained – evidence established that Patron-1 had
17 cashed out in-full from Machine 4 at 12:19 AM, and that her claim that she left \$20, or any
18 other amount, on Machine 4 was not valid.

19 37. The money Patron-2 received from cashing out from Machine 4 was hers and
20 Patron-1 had no legal claim to it.

21 **B. The Accusation By Patron-1 And Arrest Of Patron-2.**

22 38. After the above-described events occurred, Patron-1 reported to FREMONT
23 personnel that Patron-2 had stolen credits allegedly belonging to her from Machine 4.

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25 ² According to Patron 2, during the time she was playing Machine 4, she hit a
26 winning combination, thus increasing her credit balance. Unfortunately, the reel
27 combinations of Machine 4 are not visible from the available surveillance footage, and
28 FREMONT personnel did not run the outcome logs of Machine 4 as part of their
investigation into the incident, as would have been expected. Since those logs are only
stored for a limited period of time, it is not possible at this time to determine what winning
combination Patron 2 hit on Machine 4 during the period in question. Had FREMONT
personnel conducted a proper investigation, this information might have been obtained.

1 39. Based on the complaint lodged by Patron-1, and after checking with the
2 Surveillance Department, the senior FREMONT Security Officer on duty (hereinafter SO-
3 1³) immediately began looking for Patron-2.

4 40. At approximately 12:41 AM, SO-1 observed Patron-2 playing a slot machine
5 in another part of the casino. He did a second walk-by to verify it was her, and then radioed
6 other security officers for assistance.

7 41. Another security officer then walked by Patron-2, also verifying that she was
8 the person Patron-1 had accused of stealing her credits.

9 42. SO-1 then stood a short distance away from Patron-2 – who appeared
10 oblivious to his presence – and pointed her out to the arriving security officers.

11 43. At approximately 12:42 AM, SO-1 suddenly grabbed Patron-2 from behind,
12 with one hand on the back of her neck and the other on her right arm. In response,
13 Patron-2's head moved abruptly to her left as if she was startled. At no time did SO-1
14 attempt to engage in conversation with Patron-2 before he grabbed her.

15 44. It should be noted that the surveillance footage of this incident contradicts
16 what SO-1 put in his report of the incident. According to his report, he approached her,
17 asked her to stand, and informed her that she was being detained for theft. The surveillance
18 footage, however, shows no attempt by SO-1 to communicate with Patron-2 before he
19 grabbed her.

20 45. SO-1 then had Patron-2 stand up from the slot machine she was playing.
21 Three additional security guards then surrounded her. Patron-2 began to speak to the
22 officers, at which time one of the security officers handcuffed her behind her back.

23 46. At that point, four security officers completely surrounded Patron-2 and the
24 commotion of the situation had caused other patrons to stand and watch the incident. A
25 fifth security officer then arrived to assist with the situation.

26 ...

27 _____
28 ³ To protect the identity of the individuals involved, FREMONT personnel will be referred to by their title (or abbreviation thereof) followed by a number.

1 47. Patron-2, while being held on both sides by security officers, was then walked
2 across the casino floor to a holding room.

3 48. The manner in which the security officers handled the arrest of Patron-2 was
4 unreasonable given the circumstances. An internal report of the incident prepared by
5 FREMONT personnel reached this same conclusion. The internal report concluded that
6 FREMONT security personnel did not exercise a reasonable use of force in the situation.
7 The internal report further noted that at no time was Patron-2 trying to avoid security and
8 that FREMONT security personnel had detained Patron-2 from behind by placing their
9 hands on her upper back and placing her hands behind her back with no verbal commands.

10 49. By executing the arrest in this manner, and in front of other casino patrons,
11 FREMONT security officers brought added attention to the situation and to Patron-2.

12 50. At no point did the officers attempt to engage in conversation with Patron-2
13 prior to grabbing her, placing her in handcuffs, and taking her into custody. There was no
14 indication that Patron-2 posed a physical threat to the security officers, that she would be
15 uncooperative, or that she would attempt to flee from the situation.

16 51. In addition, there was no attempt to get Patron-2's side of the story before
17 arresting her. FREMONT security personnel appear to have taken Patron-1's allegations
18 as truth and acted based on those incorrect assumptions.

19 **C. Detainment And Interrogation Of Patron-2.**

20 52. Upon being brought into the security office, Patron-2 was made to sit on a
21 bench in a small alcove of the detainment room. The entire time of her confinement, she
22 was ordered and forced to remain on this bench and was kept in handcuffs.

23 53. After Patron-2 was brought into the detainment room, SO-1 informed one or
24 more of the other security officers present that he was going to the surveillance room to
25 review the surveillance footage.

26 54. During her confinement, Patron-2 shouted at various times that she did
27 nothing wrong, protesting her detention. On at least one occasion, a security officer yelled
28 at and ordered her to shut-up and calm down.

1 55. When SO-1 returned after viewing the surveillance footage, he charged into a
2 position directly in front of Patron-2 and yelled at her, "I have the police coming! You can
3 tell your story to them. I watched the video, and I don't have to show you [explicative]! I
4 watched you cash the ticket! I watched you go to the kiosk and I watched you take the
5 money."

6 56. Patron-2 responded by stating that it was her money. SO-1 then responded in
7 turn by shouting "how much money was it ma'am?!" Patron-2 informed him that she had
8 \$400, to which SO-1 responded by telling her that was the exact amount stolen from the
9 machine.

10 57. At one point SO-1 asked another security officer to go watch the surveillance
11 footage. When the security officer returned to the security office, he told SO-1 that the video
12 confirmed the alleged theft. He further informed SO-1 that the slot department was going
13 to review the video and was going to pull player card information.

14 58. SO-1 then confronted Patron-2 again, informing her that a second security
15 officer had reviewed the video and confirmed that Patron-2 had stolen money out of the slot
16 machine. Patron-2 again denied the allegations and stated she was able to cash out more
17 than she put in because she had a winning alignment while playing Machine 4.⁴ SO-1 then
18 told Patron-2 that she can tell her story to LVMPD when they arrive. He further informed
19 her that she would have two choices at that point, pay back the stolen money or go to prison
20 for larceny.

21 59. At approximately 1:06 AM, two LVMPD officers arrived in the security office
22 to investigate the incident. SO-1 stated to the LVMPD officers that Patron-2 was a tourist
23 and that he was at "50/50" as to whether or not he believed her side of the story. He advised
24 the LVMPD officers that Patron-2 had walked up to a slot machine that another female
25 patron was playing, inserted her own voucher, and then immediately cashed out of the
26 machine and walked over to a kiosk and cashed out the voucher. SO-1 further advised the

27 ⁴ As stated previously, Patron 2's claim that she had a winning combination on
28 Machine 4 could have been easily verified by accessing the play log on Machine 4, but that
was not done.

1 LVMPD officers that he had confirmed the events through a review of the surveillance
2 video and an examination of the slot tracking information.

3 60. SO-1's statement to the LVMPD officers was substantially inaccurate as
4 evidenced by a complete review of the available surveillance footage. First, the surveillance
5 footage showed that Patron-1 had cashed out of Machine 4 several minutes prior to Patron-
6 2 inserting her payout voucher into that machine. Second, the surveillance footage showed
7 that Patron-2 did not immediately cash out of Machine 4 after inserting her slot voucher,
8 but rather played several games before cashing out. Lastly, the surveillance footage shows
9 that after Patron-2 cashed out of Machine 4, she did not immediately go to a kiosk to cash
10 out the payout voucher. Instead, she moved down the row and inserted the payout voucher
11 into Machine 2. SO-1's conveyance of his incorrect understanding of what the surveillance
12 footage showed hindered the ability of the LVMPD officers to conduct a fair and complete
13 investigation of the incident.

14 61. The LVMPD officers then interviewed Patron-2 to get her version of events.
15 After they concluded the interview, they went to review the surveillance footage.

16 62. At approximately 1:34 AM, after the LVMPD officers had returned from
17 reviewing surveillance footage, the on-duty slot manager (hereinafter "SM-1") entered the
18 security office with some paperwork and met with the LVMPD officers. She explained to
19 them what the documentation showed.

20 63. Based on the conversations between SM-1, SO-1, and the LVMPD officers, it
21 is clear that FREMONT personnel did not have a correct understanding of what the
22 evidence (records and surveillance) purportedly showed. Instead, SM-1 and SO-1
23 interpreted the evidence in a manner that supported SO-1's misunderstanding of the
24 events rather than what it actually established. This misinterpretation was then passed
25 on to the LVMPD officers, resulting in the LVMPD's inability to ascertain an accurate
26 understanding of the events surrounding the alleged theft.

27 64. In a written statement provided to the investigating BOARD agent, SM-1
28 indicated that she had been brought into the investigation late. She went on to state that

1 had she been included in the investigation from the beginning, she could have “pulled
2 reports” that would have shown Patron-1 had cashed-out from Machine 4 before Patron-2
3 inserted her own voucher, thus resolving the matter without Patron-2 being taken into
4 custody. However, this statement is contradicted by the available surveillance footage from
5 the night of the incident. The footage shows that SM-1 was present when FREMONT
6 personnel took the initial report from Patron-1, thus proving she actually had been involved
7 from the very beginning of the investigation, yet she did not obtain the reports that could
8 have resolved the investigation before Patron-2 was detained.

9 65. At 1:46 AM, the LVMPD officers returned to speak with Patron-2, at which
10 time they advised her that they had confirmed, based on the information provided by
11 FREMONT personnel, that there had been \$202 belonging to Patron-1 in Machine 4 when
12 she had inserted her own voucher.

13 66. Patron-2 once again expressed her frustration at the situation and refuted the
14 allegations.

15 67. After repeatedly and adamantly denying the allegations, Patron-2 eventually
16 said to the LVMPD officers, “you guys are not going to believe me whatever I say. Just take
17 all the money out of my purse and let me go!”

18 68. At approximately 1:49 AM, one of the LVMPD officers removed the handcuffs
19 from Patron-2’s wrists. At that time, Patron-2 stated that Patron-1 was getting money
20 which did not belong to her. She then took an amount of money out of her purse, placed it
21 on the bench where she had been seated, and left the room.

22 69. As Patron-2 was leaving the security office, SO-1 advised her that she was no
23 longer welcome at FREMONT.

24 70. In total, Patron-2 was in custody for approximately 1 hour and 28 minutes.

25 71. At approximately 1:50 AM, Patron-1 was handed the money (\$202) taken from
26 Patron-2.

27 72. Later that night, at around 3:30 AM, the voucher that Patron-1 had received
28 when she had cashed out of Machine 4 earlier that evening – the one she had folded and

1 placed in her sweater pocket – was redeemed. The amount of the redeemed voucher was
2 \$202.

3 73. From the moment Patron-2 was led into the security office, to the moment she
4 was released, she was visibly upset. She cried throughout the experience and her emotions
5 ranged from uncontrollable, unintelligible sobbing, to full on yelling in an attempt to get
6 someone to believe her. She never wavered from vehemently denying the theft that she was
7 accused of and repeatedly begged for someone to either verify the facts, such as her winning
8 a triple 7 jackpot, or to verify her own play utilizing surveillance footage.

9 74. As stated previously, even the most basic investigation would have proven
10 that Patron-2 was not guilty of the crime of which Patron-1 accused her.

11 75. Under the circumstances, there was no need to detain Patron-2 or subject her
12 to the treatment given to her and the threats to try and force a confession out of her. The
13 matter could have been resolved without even speaking to Patron-2, let alone detaining her
14 for 90 minutes.

15 76. FREMONT personnel wrongfully detained Patron 2, intimidated her,
16 threatened her, and misinformed the LVMPD officer, which resulted in her money being
17 wrongfully taken from her and being paid to another person.

18 **D. BOARD's Patron Dispute Investigation.**

19 77. Soon after being released from custody, Patron-2 contacted the BOARD to
20 report the incident. Based on the information provided, the BOARD classified the
21 complaint as a patron dispute and proceeded accordingly.

22 78. Upon arriving at FREMONT to investigate Patron-2's allegations, the
23 BOARD agents were met by SO-1, who informed them that the issue was not a patron
24 dispute but was actually a theft investigation. SO-1 then detailed how another female
25 patron (Patron-1) had left \$200 in credits on a slot machine while she searched for a slot
26 assistant to help her with an issue on her machine. At that point, Patron-2 walked up to
27 the machine, placed her own voucher in the machine, and cashed out the combined amount.

28 ...

1 79. SO-1 further explained that LVMPD had already investigated the incident as
2 a theft and that their investigation resulted in Patron-2 returning the money. The Board
3 agents were shown the surveillance footage of the incident and examined the same slot
4 tracking information that was shown to the LVMPD officers who had investigated the
5 incident earlier. Because Patron-1 was no longer on the premises, BOARD agents could not
6 interview her.

7 80. Upon returning to the office, the BOARD agents contacted Patron-2 via
8 telephone. Patron-2 reiterated that she had been detained for something she did not do and
9 that she was forced to give the casino \$200 in order to be released from custody. When
10 asked by the agents why she gave up the money if she felt she did not do anything wrong,
11 Patron-2 replied, "because I was scared and I didn't know what else to do."

12 81. The agents informed her that she could continue with the patron dispute
13 process, but it was possible that the investigation would turn from a patron dispute to a
14 theft investigation. At that point, Patron-2 got upset and hung up the phone.

15 **E. FREMONT's Failure To Meet The Board's Expectations.**

16 82. On or about December 5, 2019, nine days after the incident, the Director of
17 Regulatory Compliance for FREMONT's parent corporation, Boyd Gaming Corporation,
18 contacted the BOARD to self-report that Patron-2 had been mistakenly accused of theft
19 and subsequently detained by security personnel at the FREMONT.

20 83. In response, the BOARD launched an investigation into the incident – this
21 time as a possible NGC Regulation 5 violation as opposed to a patron dispute claim as with
22 the previous investigation.

23 84. The information FREMONT initially provided the BOARD to assist it in its
24 investigation excluded important information, such as witness statements, and included
25 only partial information, such as a limited view of surveillance coverage.

26 85. In addition, the BOARD faced a general reluctance on the part of FREMONT
27 personnel to cooperate with the investigation. This reluctance included delays in sharing
28 information, and when FREMONT personnel did share information, it was often in one

1 word or one sentence answers detailing neither what happened on the evening of the
2 incident, nor shedding any light on how the decision to detain Patron-2 was ultimately
3 reached.

4 86. In addition, the statements provided often contradicted what appeared in the
5 surveillance coverage or in the physical records.

6 87. As part of the initial self-report, FREMONT personnel supplied an internal
7 report titled "DTR Use of Force Review." In summation, the report concluded that the use
8 of force used to arrest Patron-2 was unreasonable based on a review of the surveillance
9 coverage. The report cites to the fact that Patron-2 made no attempt to flee the casino, nor
10 did she receive verbal commands from FREMONT security officers to peacefully comply
11 with detainment. When the BOARD agent asked for more documentation on how and who
12 performed the use of force review, FREMONT personnel stated that a secondary review
13 had been completed that had concluded the use of force was reasonable based on the
14 information FREMONT security officers had at the time of detainment. FREMONT
15 personnel, however, provided no documentation to show what information the second
16 report was based on, nor was an official report provided to the BOARD agent. Instead, the
17 decision that the use of force was reasonable was described in an email chain with no
18 further explanation.

19 88. When asked by the investigating BOARD agent about what FREMONT
20 personnel did with the funds that were in the machine Patron-2 was playing when she was
21 detained, FREMONT personnel first provided a one sentence written response advising the
22 BOARD agent that those were considered "abandoned credits." They later revised that
23 statement and informed the investigating BOARD agent that approximately fifteen
24 minutes after Patron-2 was detained, the machine she had been playing was shut down
25 and the ten dollars found on the machine was being held for Patron-2 to claim.

26 89. Lastly, the BOARD's investigation revealed that FREMONT did not seem to
27 realize the full scope of the mistakes made by its employees that resulted in the wrongful
28 ...

1 detention of Patron-2, the wrongful taking of funds from an innocent patron, or the sharing
2 incorrect information to the investigating officers of LVMPD and the BOARD.

3 **COUNT I**
4 **VIOLATION OF NRS 463.170(8) AND/OR**
5 **NGC REGULATIONS 5.011(1)(a) AND/OR (k)**

6 90. The BOARD realleges and incorporates the above paragraphs by reference as
7 though set forth in full herein.

8 91. FREMONT personnel failed to exercise sound judgment in relation to the
9 incident described herein by not performing a proper investigation into the allegations
10 made by Patron-1 against Patron-2, which resulted in the wrongful and improper detention
11 of Patron-2, and in the wrongful taking of Patron-2's property through threats of
12 imprisonment.

13 92. The failures and actions of FREMONT personnel, as set forth herein,
14 constitute a failure by FREMONT to continue to meet the applicable standards and
15 qualifications necessary to hold a gaming license in violation of NRS 463.170(8).

16 93. The failures and actions of FREMONT personnel, as set forth herein,
17 constitute a failure by FREMONT to exercise discretion and sound judgment to prevent
18 incidents which might reflect on the repute of the State of Nevada and act as a detriment
19 to the development of the gaming industry in violation of NGC Regulation 5.011(1)(a).

20 94. The failures and actions of FREMONT personnel, as set forth herein,
21 constitute a failure by FREMONT to conduct gaming operations in accordance with proper
22 standards of custom, decorum, and/or decency, and/or reflect or tends to reflect on the
23 repute of the State of Nevada and act as a detriment to the gaming industry in violation of
24 NGC Regulation 5.011(1)(k).

25 95. The failure to comply with NRS 463.170(8) and/or NGC Regulation 5.011(1)(a)
26 and/or (k) is an unsuitable method of operation and provides grounds for disciplinary action
27 against FREMONT. See Nev. Gaming Comm'n Reg. 5.010(2) and 5.030.

28 ...

...

COUNT II
VIOLATION OF NRS 463.170(8) AND/OR
NGC REGULATIONS 5.011(1)(a) AND/OR (k)

1
2
3 96. The BOARD realleges and incorporates the above paragraphs by reference as
4 though set forth in full herein.

5 97. FREMONT personnel failed to exercise sound judgment in relation to the
6 incident described by using unreasonable level of force when they detained Patron-2. The
7 manner in which the arrest was carried out and the level of force used by FREMONT
8 security officers making the arrest was not justified under the circumstances.

9 98. In addition, FREMONT personnel failed to follow FREMONT's internal
10 Detention and Arrest Procedures (DAP) that were in effect at the time of the incident. That
11 policy provides, in relevant part:

- 12 a. All security personnel are expected to exercise sound, reasonable judgment
13 within the guidelines set forth in [the Downtown Security Department
14 Manual]. (DAP, footer.)
- 15 b. Placing an individual in handcuffs should be treated as a serious
16 undertaking. If the suspect does not present a physical threat, and the
17 attitude of the suspect and the crime they are being accused of is not
18 serious, refrain from placing the suspect in handcuffs. Security Officers
19 will only handcuff a suspect if the suspect has definitely committed a
20 crime, presents a threat to Security Officers or others including
21 themselves, is destructive of others' property, cannot be controlled
22 otherwise, or is being detained at the direction of civil authority. (DAP,
23 section 5.10.)
- 24 c. In the course of detention, Security Officers will always give the suspect
25 the opportunity to peacefully accompany the officer to the security office.
26 Security Officers should advise the suspect in a polite and non-accusatory
27 manner that they are being detained. (DAP, section 5.12.)

28 ...

1 d. Once the suspect has been detained, Security Officers may interview the
2 suspect prior to the arrival of civil police, but at no time will the interview
3 consist of name-calling or accusations. (DAP, section 5.13.)

4 99. The failures and actions of FREMONT personnel, as set forth herein,
5 constitute a failure by FREMONT to continue to meet the applicable standards and
6 qualifications necessary to hold a gaming license in violation of NRS 463.170(8).

7 100. The failures and actions of FREMONT personnel, as set forth herein,
8 constitute a failure by FREMONT to exercise discretion and sound judgment to prevent
9 incidents which might reflect on the repute of the State of Nevada and act as a detriment
10 to the development of the gaming industry in violation of NGC Regulation 5.011(1)(a).

11 101. The failures and actions of FREMONT personnel, as set forth herein,
12 constitute a failure by FREMONT to conduct gaming operations in accordance with proper
13 standards of custom, decorum, and/or decency, and/or reflect or tends to reflect on the
14 repute of the State of Nevada and act as a detriment to the gaming industry in violation of
15 NGC Regulation 5.011(1)(k).

16 102. The failure to comply with NRS 463.170(8) and/or NGC Regulation 5.011(1)(a)
17 and/or (k) is an unsuitable method of operation and provides grounds for disciplinary action
18 against FREMONT. *See Nev. Gaming Comm'n Reg. 5.010(2) and 5.030.*

19 **COUNT III**
20 **VIOLATION OF NRS 463.170(8) AND/OR**
21 **NGC REGULATIONS 5.011(1)(a) AND/OR (k)**

22 103. The BOARD realleges and incorporates the above paragraphs by reference as
23 though set forth in full herein.

24 104. FREMONT personnel failed to exercise sound judgment in relation to the
25 incident described herein by providing LVMPD officers and BOARD agents inaccurate and
26 incomplete information during the investigation of the incident on the day it occurred. This
27 failure interfered with the officers' and agent's ability to perform their responsibilities.

28 ...

...

1 105. The failures and actions of FREMONT personnel, as set forth herein,
2 constitute a failure by FREMONT to continue to meet the applicable standards and
3 qualifications necessary to hold a gaming license in violation of NRS 463.170(8).

4 106. The failures and actions of FREMONT personnel, as set forth herein,
5 constitute a failure by FREMONT to exercise discretion and sound judgment to prevent
6 incidents which might reflect on the repute of the State of Nevada and act as a detriment
7 to the development of the gaming industry in violation of NGC Regulation 5.011(1)(a).

8 107. The failures and actions of FREMONT personnel, as set forth herein,
9 constitute a failure by FREMONT to conduct gaming operations in accordance with proper
10 standards of custom, decorum, and/or decency, and/or reflect or tends to reflect on the
11 repute of the State of Nevada and act as a detriment to the gaming industry in violation of
12 NGC Regulation 5.011(1)(k).

13 108. The failure to comply with NRS 463.170(8) and/or NGC Regulation 5.011(1)(a)
14 and/or (k) is an unsuitable method of operation and provides grounds for disciplinary action
15 against FREMONT. *See Nev. Gaming Comm'n Reg. 5.010(2) and 5.030.*

16 COUNT IV
17 VIOLATION OF NRS 463.170(8) AND/OR
18 NGC REGULATION 5.011(a)

19 109. The BOARD realleges and incorporates the above paragraphs by reference as
20 though set forth in full herein.

21 110. During the BOARD's investigation after FREMONT personnel self-reported
22 the incident, FREMONT personnel provided material that was missing crucial
23 information, lacking in content, inaccurate, or inconsistent with other information obtained
24 by the BOARD.

25 111. The failures and actions of FREMONT personnel, as set forth herein,
26 constitute a failure by FREMONT to continue to meet the applicable standards and
27 qualifications necessary to hold a license issued by the Commission in violation of NRS
28 463.170(8).

...

1 112. The failures and actions of FREMONT personnel, as set forth herein,
2 constitute a failure by FREMONT to exercise discretion and sound judgment to prevent
3 incidents which might reflect on the repute of the State of Nevada and act as a detriment
4 to the development of the gaming industry in violation of NGC Regulation 5.011(1)(a).

5 113. The failures and actions of FREMONT personnel to take the necessary steps
6 to prevent the above-described incidents from occurring, constitute a failure by FREMONT
7 to conduct gaming operations in accordance with proper standards of custom, decorum,
8 and/or decency, and/or reflect or tends to reflect on the repute of the State of Nevada and
9 act as a detriment to the gaming industry in violation of NGC Regulation 5.011(1)(k).

10 114. The failure to comply with NRS 463.170(8) and/or NGC Regulation 5.011(1)(a)
11 and/or (k) is an unsuitable method of operation and provides grounds for disciplinary action
12 against FREMONT. *See Nev. Gaming Comm'n Reg. 5.010(2) and 5.030.*

13 **PRAYER FOR RELIEF**

14 WHEREFORE, based upon the allegations contained herein, which constitute
15 reasonable cause for disciplinary action against FREMONT, pursuant to NRS 463.310
16 and/or NGC Regulations 5.010, 5.011, and/or 5.030, the Board prays for relief as follows:

17 1. That the Commission serve a copy of this Complaint on FREMONT pursuant
18 to NRS 463.312(2);

19 2. That the Commission fine FREMONT a monetary sum pursuant to the
20 parameters defined at NRS 463.310(4) for each separate violation of the provisions of the
21 Nevada Gaming Control Act or the Regulations of the Commission;

22 3. That the Commission take action against FREMONT's license pursuant to the
23 parameters defined in NRS 463.310(4); and

24 ...

25 ...

26 ...

27 ...

28 ...

1 4. For such other and further relief as the Commission may deem just and
2 proper.

3 DATED this 15th day of September, 2020.

4 NEVADA GAMING CONTROL BOARD

5 
6 SANDRA MORGAN, Chairwoman


7 
8 TERRY JOHNSON, Member

9 
10 PHILIP KATSAROS, Member

11 Submitted by:

12 AARON D. FORD
13 Attorney General

14 By:


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