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**STATE OF NEVADA**

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**BEFORE THE NEVADA GAMING COMMISSION**

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NEVADA GAMING CONTROL BOARD,

7

Complainant,

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vs.

**COMPLAINT**

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SRY INDUSTRIES, LLC  
dba OFF THE RAILS CASINO,

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Respondent.

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The State of Nevada, on relation of its NEVADA GAMING CONTROL BOARD (BOARD), Complainant herein, by and through its counsel, AARON D. FORD, Attorney General, and JOHN S. MICHELA, Senior Deputy Attorney General, hereby files this Complaint before the Nevada Gaming Commission (Commission) for disciplinary action against SRY INDUSTRIES, LLC, dba OFF THE RAILS CASINO, herein, pursuant to Nevada Revised Statute (NRS) 463.310(2), and alleges as follows:

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**JURISDICTION**

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

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2. RESPONDENT, SRY INDUSTRIES, LLC, dba OFF THE RAILS CASINO (RESPONDENT), located at 150 Main Street, Lovelock, Nevada, currently holds a nonrestricted gaming license, and, as such, is charged with the responsibility of complying with all provisions of the Nevada Gaming Control Act and the Regulations of the Commission.

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1 RESPONDENT is a nonrestricted Group II gaming licensee limited to the operation of slot  
2 machines only. Stephen Laurence Young (Owner) is the sole member and manager of  
3 RESPONDENT.

4 3. The Nevada Legislature set forth the importance of the gaming industry to  
5 the State of Nevada and its responsibility to the State's inhabitants in NRS 463.0129. The  
6 Legislature specifically set out that the continued growth and success of gaming is  
7 dependent on public confidence and trust and that such public confidence and trust "can  
8 only be maintained by strict regulation of all persons, locations, practices, associations and  
9 activities related to the operation of licensed gaming establishments . . ." NRS 463.0129.

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

14 5. The BOARD is statutorily charged with determining whether a violation of  
15 the Gaming Control Act has occurred. NRS 463.310(1). If the BOARD is satisfied that  
16 discipline is warranted, it shall initiate disciplinary action by filing a complaint with the  
17 Commission. NRS 463.310(2).

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

21 7. A person approved by the Nevada Gaming Commission has an ongoing  
22 obligation to meet the standards required to obtain such approval including, without  
23 limitation, to be a person of good character, honesty and integrity and to refrain from  
24 activities and associations which may impact the interests of Nevada, the regulation of  
25 gaming, or the reputation of gaming in Nevada. NRS 463.170.

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1           8.     An establishment with gaming must be operated "to protect the public health,  
2 safety, morals, good order and general welfare of the inhabitants of the State of Nevada.  
3 Nev. Gaming Comm'n Reg. 5.010(1). Responsibility for ensuring "suitable methods of  
4 operation rests with the licensee . . . ." Nev. Gaming Comm'n Reg. 5.010(2).

5           9.     Actions or failures to act which might reflect discredit on the State of Nevada,  
6 gaming in Nevada or the gaming industry, including, without limitation, failure to follow  
7 relevant laws and failure to ensure honest communications, are unsuitable methods of  
8 operation and shall be grounds for disciplinary action. Nev. Gaming Comm'n Reg. 5.011.

9           10.    A nonrestricted gaming licensee shall not knowingly employ a person as a  
10 gaming employee unless such person is registered as a gaming employee. Nev. Gaming  
11 Comm'n Reg. 5.105.

12          11.    A nonrestricted gaming licensee is required to maintain a progressive log and  
13 document certain actions including decreases to the progressive amounts. Nev. Gaming  
14 Comm'n Reg. 5.110.

15          12.    A nonrestricted gaming licensee is required to maintain accurate and  
16 complete records of all transactions pertaining to gross revenue. Nev. Gaming Comm'n Reg.  
17 6.040, and 6.060.

18          13.    A nonrestricted Group II licensee is required to comply with internal control  
19 procedures as published by the Chair of the Board. Nev. Gaming Comm'n Reg. 6.100.

20          14.    A nonrestricted gaming licensee is required to properly report gaming revenue  
21 and expired slot wagering vouchers. Nev. Gaming Comm'n Reg. 6.110.

22          15.    A nonrestricted gaming licensee is required to report the times its drop boxes  
23 are counted and is required to comply with the reported times. Nev. Gaming Comm'n Reg.  
24 6.130(1). A nonrestricted gaming licensee is required to provide a list of employees  
25 authorized to participate in the count or authorized to be present in the count room during  
26 the count. Nev. Gaming Comm'n Reg. 6.130(2).

27          16.    A gaming licensee is required to keep accurate records regarding bankroll  
28 computations. Nev. Gaming Comm'n Reg. 6.150.



1 17. Nevada Gaming Commission Regulation 5.030 provides as follows:

2 Violation of any provision of the Nevada Gaming Control  
3 Act or of these regulations by a licensee, the licensee's agent or  
4 employee shall be deemed contrary to the public health, safety,  
5 morals, good order and general welfare of the inhabitants of the  
6 State of Nevada and grounds for suspension or revocation of a  
7 license. Acceptance of a state gaming license or renewal thereof  
8 by a licensee constitutes an agreement on the part of the licensee  
9 to be bound by all of the regulations of the Commission as the  
10 same now are or may hereafter be amended or promulgated. It  
11 is the responsibility of the licensee to keep informed of the  
12 content of all such regulations, and ignorance thereof will not  
13 excuse violations.

14 Nev. Gaming Comm'n Reg. 5.030.

#### 15 GENERAL ALLEGATIONS

##### 16 Prior Violation History

17 18. On or about May 30, 2019, the BOARD's Tax and License Division (T&L)  
18 issued a violation letter to RESPONDENT concerning RESPONDENT's regulatory and  
19 internal control procedure (ICP) violations. This letter covered a review period of December  
20 1, 2016, through November 30, 2018. T&L cited four violations including one recurring  
21 ICP violation. RESPONDENT provided a response letter on or about June 18, 2019. T&L  
22 deemed RESPONDENT's response adequate on or about July 9, 2019.

23 19. On or about October 21, 2021, T&L issued a violation letter to RESPONDENT  
24 concerning RESPONDENT's regulatory and internal control procedure (ICP) violations.  
25 This letter covered a review period of December 1, 2018, through February 28, 2021. T&L  
26 cited ten violations including one recurring ICP violation. RESPONDENT provided a  
27 response letter on or about December 8, 2021. T&L deemed RESPONDENT's response  
28 adequate on or about January 6, 2022, after further follow-up with RESPONDENT.

29 20. On or about April 11, 2022, T&L conducted an interim review of  
30 RESPONDENT. Based on this review, on or about September 19, 2022, T&L issued a  
31 violation letter to RESPONDENT concerning RESPONDENT's regulatory and internal  
32 control procedure (ICP) violations.

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1 T&L cited 29 violations including eight recurring ICP violations. One of the recurring  
2 violations was cited in both the May 30, 2019, violation letter and the October 21, 2021,  
3 violation letter. RESPONDENT provided a response letter on or about October 19, 2022.  
4 T&L did not deem this response adequate. T&L made multiple attempts to obtain a new  
5 response letter from RESPONDENT. Finally, after T&L visited RESPONDENT's location  
6 in person on January 28, 2023, RESPONDENT provided the new response letter. After  
7 further follow-up with RESPONDENT, T&L deemed the responses adequate on or about  
8 February 6, 2023.

9 Current Violations

10 21. T&L performed a regular review of RESPONDENT covering the period of  
11 March 1, 2021, through August 31, 2023.

12 22. The findings of this review include, but are not limited to, RESPONDENT:

- 13 a. Failed to ensure a gaming employee was properly registered;
- 14 b. Failed to maintain progressive logs;
- 15 c. Failed to maintain audit records;
- 16 d. Failed to investigate variances;
- 17 e. Failed to comply with jackpot payout requirements;
- 18 f. Failed to comply with independent accountability requirements;
- 19 g. Failed to properly document payouts, including the use of "sticky notes" as  
20 documentation;
- 21 h. Failed to comply with accountability requirements;
- 22 i. Failed to comply with independent audit requirements;
- 23 j. Failed to restrict access to the count room;
- 24 k. Failed to properly make changes to required documentation;
- 25 l. Failed to perform required currency counter tests;
- 26 m. Failed to properly account for wagering instruments;
- 27 n. Failed to prevent one person from having independent access to sensitive  
28 keys;



- o. Failed to review records for reasonableness;
- p. Failed to produce required reports;
- q. Failed to review reports;
- r. Failed to investigate variances between reports;
- s. Failed to foot and trace wagering instrument and points redeemed transactions;
- t. Failed to perform independent testing of the promotional points system;
- u. Failed to review which personnel have access to computerized systems;
- v. Failed to use approved methods and reports for reporting revenue on NGC tax returns;
- w. Failed to report an emergency drop to the Board in advance; and
- x. Failed to maintain documentation for bankroll computations.

23. These findings include 20 recurring violations and 6 two-time recurring violations.

24. These findings are set out more fully in the specific violation counts, below.

25. Initially, in response to the findings, the BOARD issued an Order to Show Cause (OSC) on or about July 23, 2024. RESPONDENT provided an initial response on or about July 31, 2024. The BOARD did not find the initial response adequate and requested a new response along with strong encouragement that RESPONDENT retain counsel prior to providing the new response.

26. RESPONDENT declined to retain counsel and submitted a new response on or about September 17, 2024.

27. The BOARD did not find RESPONDENT'S new response adequate.

28. Based on RESPONDENT's violation history and inadequate responses to the OSC, RESPONDENT has forced the BOARD to file this Complaint to ensure the BOARD upholds its statutory charge to strictly regulate gaming by seeking formal punitive and remedial measures from the Nevada Gaming Commission to bring RESPONDENT into compliance with the requirements of the Gaming Control Act through the imposition of a

1 fine, the placement of conditions on RESPONDENT's gaming license, the suspension of  
2 RESPONDENT's gaming license, and/or the revocation of RESPONDENT's gaming  
3 license.

4 **COUNT ONE**  
5 **UNSUITABLE METHOD OF OPERATION**  
6 **REGARDING GAMING EMPLOYEE REGISTRATION**

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

9 30. On September 26, 2023, Gaming Employee #1 was employed by  
10 RESPONDENT in a position requiring registration as a gaming employee and was not  
11 registered as a gaming employee.

12 31. Employing a person in a position requiring registration as a gaming employee  
13 without ensuring the gaming employee is registered as such is a violation of Nevada  
14 Gaming Commission Regulation 5.105.

15 32. Each of the actions noted in this Count are separate violations pursuant to  
16 NRS 463.310(4)(d)(2).

17 33. RESPONDENT's actions as set out above constitute violations of Nevada  
18 Revised Statute 463.170 and/or Nevada Gaming Commission Regulations 5.010, 5.011,  
19 and/or 5.105. This constitutes an unsuitable method of operation, and, as such, is grounds  
20 for disciplinary action. See NRS 463.170(8); Nev. Gaming Comm'n Regs. 5.010(2), 5.011(1)  
21 and 5.030.

22 **COUNT TWO**  
23 **UNSUITABLE METHOD OF OPERATION**  
24 **REGARDING THE FAILURE TO**  
25 **RECORD AND MAINTAIN PROGRESSIVE LOGS**

26 34. The BOARD realleges and incorporates the above paragraphs by reference as  
27 though set forth in full herein.

28 35. On September 26, 2023, T&L agents requested RESPONDENT's progressive  
logs for progressive payoff schedules greater than \$5,000.00 offered in conjunction with a  
slot machine.

36. A licensee is required to record each of its progressive payoff schedules in a



1 progressive log not less often than every 7 days.

2 37. RESPONDENT was unable to provide progressive logs for the period of March  
3 1, 2021, through August 31, 2023, either through a failure to record the required  
4 information or a failure to maintain the required information in the log.

5 38. The failure to record and maintain the required information in the progressive  
6 log is a violation of Nevada Gaming Commission Regulation 5.110.

7 39. Each of the actions noted in this Count are separate violations pursuant to  
8 NRS 463.310(4)(d)(2).

9 40. RESPONDENT's actions as set out above constitute violations of Nevada  
10 Revised Statute 463.170 and/or Nevada Gaming Commission Regulations 5.010, 5.011,  
11 and/or 5.110. This constitutes an unsuitable method of operation, and, as such, is grounds  
12 for disciplinary action. See NRS 463.170(8); Nev. Gaming Comm'n Regs. 5.010(2), 5.011(1)  
13 and 5.030.

14 **COUNT THREE**  
**UNSUITABLE METHOD OF OPERATION**  
**REGARDING THE FAILURE TO**  
15 **MAINTAIN ACCURATE AND COMPLETE ACCOUNTING RECORDS**

16 41. The BOARD realleges and incorporates the above paragraphs by reference as  
17 though set forth in full herein.

18 42. Discussions with Owner and review of the general ledger and source  
19 documentation by a T&L agent on September 27, 2023, revealed unexplained slot variances  
20 in every month of the review period, March 1, 2021, through August 31, 2023.

21 43. T&L agent discussions with Owner and examination of accounting records on  
22 September 27, 2023, revealed that detailed, supporting, subsidiary records, were not  
23 maintained for the equity accounts.

24 44. A nonrestricted gaming licensee is required to maintain accurate and  
25 complete records of all transactions pertaining to gross revenue. The failure to explain slot  
26 variances and maintain detailed supporting subsidiary records fore equity accounts is a  
27 violation of Nevada Gaming Commission Regulation 6.040.

28 45. This is a recurring violation previously cited in the violation letters dated



1 October 21, 2021, and September 19, 2022.

2 46. Each of the actions noted in this Count are separate violations pursuant to  
3 NRS 463.310(4)(d)(2).

4 47. RESPONDENT's actions as set out above constitute violations of Nevada  
5 Revised Statute 463.170 and/or Nevada Gaming Commission Regulations 5.010, 5.011,  
6 and/or 6.040. This constitutes an unsuitable method of operation, and, as such, is grounds  
7 for disciplinary action. See NRS 463.170(8); Nev. Gaming Comm'n Regs. 5.010(2), 5.011(1)  
8 and 5.030.

9 **COUNT FOUR**  
**UNSUITABLE METHOD OF OPERATION**  
**REGARDING THE FAILURE TO**  
10 **MAINTAIN REQUIRED RECORDS**

11 48. The BOARD realleges and incorporates the above paragraphs by reference as  
12 though set forth in full herein.

13 49. T&L agent discussions with Owner on September 26, 2023, revealed the  
14 expired ticket reports for the review period, March 1, 2021, through August 31, 2023, could  
15 not be provided to Board agents for examination. These reports are required to be  
16 maintained pursuant to Nevada Gaming Commission Regulation 6.

17 50. A nonrestricted gaming licensee is required to maintain required records for  
18 five years. The failure to maintain such records is a violation of Gaming Commission  
19 Regulation 6.060.

20 51. This is a recurring violation previously cited in the violation letter dated  
21 October 21, 2021.

22 52. Each of the actions noted in this Count are separate violations pursuant to  
23 NRS 463.310(4)(d)(2).

24 53. RESPONDENT's actions as set out above are a violation of Nevada Revised  
25 Statute 463.170 and/or Nevada Gaming Commission Regulations 5.010, 5.011, and/or  
26 6.060. This constitutes an unsuitable method of operation, and, as such, is grounds for  
27 disciplinary action. See NRS 463.170(8); Nev. Gaming Comm'n Regs. 5.010(2), 5.011(1) and  
28 5.030.



**COUNT FIVE**  
**UNSUITABLE METHOD OF OPERATION**  
**REGARDING THE FAILURE TO**  
**COMPLY WITH INTERNAL CONTROL PROCEDURES**

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

55. A nonrestricted Group II licensee is required to comply with internal control procedures promulgated pursuant to Nevada Gaming Commission Regulation 6.100.

56. Except as otherwise noted herein, the violations of Internal Control Procedures (ICP) set forth in this Count are of Version 3.1.

57. T&L agent discussions with Owner and Bartender on September 26, 2023, revealed that in the event of system failure a multi-part form with all required information is not utilized when making payouts to patrons. This is a violation of ICP Slots #1.

58. T&L agent detail testing of slot documentation revealed jackpot payout tickets did not have the signatures of at least two employees verifying, authorizing, completing, and witnessing the payout. This is a violation of ICP Slots #1.

59. T&L agent detail testing of voided slot payout forms for the review period, March 1, 2021, through August 31, 2023, revealed five of five (100%) voided payout forms did not contain signatures of the preparer and another employee; additionally, the prepared did not clearly mark "VOID" across the face of the payout forms. This is a violation of ICP Slots #4.

60. T&L agent observation of a payout performed on September 27, 2023, revealed Bartender made a manual payout without using a multi-part form, without verification of the validity of the wagering voucher, and without the verification of a second employee. This is a violation of ICP Slots #5.

61. T&L agent discussions with Owner on September 27, 2023, revealed manual payout forms are not used, and Bartender has the ability to initiate a payment through the "Point of Sale" register as needed without supervisory personnel approving the payment. The payment is documented on a sticky note and entered into the slot system manually as a payout by the slot auditor. This is a violation of ICP Slots #6 and/or #7.



1        62. T&L agent discussions with Owner on September 28, 2023, revealed  
2 unannounced currency counter test were not documented and maintained for the review  
3 period March 1, 2021, through August 31, 2023. This is a violation of ICP Slots #27. This  
4 is a recurring violation cited in the violation letter dated September 19, 2022.

5        63. T&L agent observation of an emergency slot count via surveillance on  
6 September 26, 2023, revealed Casino Manager performed the entire count process alone,  
7 and an independent count of all currency drop proceeds was not reconciled to the count  
8 sheet by an employee independent of the count team. Additionally, Casino Manager  
9 verified and accepted accountability of the funds and transferred the count documents to  
10 accounting alone. This is a violation of ICP Slots #28, #33, and/or #54. This is a recurring  
11 violation of ICP #54 cited in the violation letter dated September 19, 2022.

12        64. T&L agent observation of the currency acceptor count on September 11, 2023,  
13 revealed access to the count room was not restricted to members of the drop and count  
14 teams, authorized observers, supervisors for resolution of problems, and authorized  
15 maintenance personnel. This is a violation of ICP Slots #29. This is a recurring violation  
16 cited in the violation letter dated September 19, 2022.

17        65. T&L agent detail testing of slot documentation for the review period, March  
18 1, 2021, through August 31, 2023, revealed error corrections are not made by crossing out  
19 the error, entering the correct figure, and then obtaining the initials of at least two count  
20 team members who verified the change. This is a violation of ICP Slots #32.

21        66. T&L agent observation of an emergency slot count via surveillance on  
22 September 26, 2023, revealed a currency counter test was not performed prior to the  
23 currency acceptor count. This is a violation of ICP Slots #47.

24        67. T&L agent observation of an emergency slot count via surveillance on  
25 September 26, 2023, revealed drop boxes were not shown to a second count team member  
26 or to recorded or live surveillance when emptied. This is a violation of ICP Slots #49. This  
27 is a recurring violation cited in the violation letter dated September 19, 2022.

28        68. T&L agent discussions with Owner on September 25, 2023, revealed wagering



1 instruments removed from each drop box are not counted and recorded in the cashless  
2 wagering system. This is a violation of ICP Slots #51.

3 69. T&L agent observation of an emergency slot count via surveillance on  
4 September 26, 2023, revealed a second employee did not reconcile the drop proceeds to the  
5 count sheet at the conclusion of the count. This is a violation of ICP Slots #52. This is a  
6 recurring violation cited in the violation letter dated September 19, 2022.

7 70. T&L agent discussions with Owner and observation of an emergency slot  
8 count via surveillance on September 26, 2023, revealed two employees did not accompany  
9 the currency acceptor drop box release keys and currency acceptor drop box contents keys  
10 at all times. This is a violation of ICP Slots #58.

11 71. T&L agent discussions with Owner on September 25, 2023, revealed  
12 documentation containing the date, time, and reason for access for the emergency manual  
13 override key is not maintained. Additionally, access does not require the presence of two  
14 employees. This is a violation of ICP Slots #61. This is a recurring violation cited in the  
15 violation letter dated September 19, 2022.

16 72. T&L agent discussions with Casino Manager and Assistant Manager on  
17 September 27, 2023, revealed the accounting department does not review all coin-in meter  
18 readings for reasonableness using pre-established parameters. This is a violation of ICP  
19 Slots #81.

20 73. T&L agent discussions with Owner on September 27, 2023, and examination  
21 of slot documents revealed coin-in meters are not reviewed for reasonableness and  
22 exceptions are not documented prior to final preparation of statistical reports. This is a  
23 violation of ICP Slots #82. This is a recurring violation cited in the violation letters dated  
24 October 21, 2021, and September 19, 2022.

25 74. T&L agent discussions with Owner and Casino Manager on September 26,  
26 2023, revealed a report showing accurate month-to-date, year-to-date, and if practicable,  
27 life-to-date actual hold percentage computations for individual machines and a comparison  
28 to each machine's theoretical hold percentage were not produced throughout the review



1 period March 1, 2021, through August 31, 2023. This is a violation of ICP Slots #83. This  
2 is a recurring violation cited in the violation letter dated May 30, 2019.

3 75. T&L agent discussions with Owner on September 25, 2023, and examination  
4 of statistical analysis reports revealed statistical analysis reports are not reviewed and  
5 initialed by management on at least a monthly basis. Additionally, large variances between  
6 theoretical hold and actual hold were not investigated and resolved within 30 days. This  
7 is a violation of ICP Slots #89. This is a recurring violation cited in the violation letters  
8 dated October 21, 2021, and September 19, 2022.

9 76. T&L agent discussions with Casino Manager on September 26, 2023, revealed  
10 drop proceeds are not recorded on an accountability sheet following verification. As such, a  
11 reconciliation between the count sheet, accountability document, and slot reports is not  
12 performed. This is a violation of ICP Slots #112.

13 77. T&L agent observation of payout procedures performed by Bartender on  
14 September 25, 2023, revealed multi-part forms with all required information are not used  
15 for manual payouts. Additionally, discussions with Owner on September 26, 2023, revealed  
16 payout forms are not reviewed for propriety or proper completion. This is a violation of ICP  
17 Slots #113.

18 78. T&L agent discussions with Owner on September 25, 2023, and examination  
19 of slot documentation revealed follow-up was not performed for unresolved variances  
20 between the currency acceptor drop and bill-in meter readings. This is a violation of ICP  
21 Slots #115. This is a recurring violation cited in the violation letters dated October 21,  
22 2021, and September 19, 2022.

23 79. T&L agent discussions with Owner on September 25, 2023, and examination  
24 of slot documentation revealed variances between cashless wagering instruments accepted  
25 to wagering instruments counted in the count room are not reviewed, investigated or  
26 documented. This is a violation of ICP Slots #116. This is a recurring violation cited in the  
27 violation letters dated October 21, 2021, and September 19, 2022.

28 80. T&L agent discussions with Owner on September 25, 2023, and examination



1 of slot documentation revealed exception reports were not generated and reviewed by  
2 accounting employees. This is a violation of ICP Slots #118. This is a violation of ICP Slots  
3 #116. This is a recurring violation cited in the violation letters dated October 21, 2021, and  
4 September 19, 2022.

5 81. T&L agent discussions with Owner on September 25, 2023, and examination  
6 of slot documentation revealed issued, voided and redeemed wagering instruments are not  
7 reconciled to unpaid and expired wagering instrument dollar amounts. This is a violation  
8 of ICP Slots #121.

9 82. T&L agent discussions with Owner on September 25, 2023, and examination  
10 of slot documentation revealed wagering instruments redeemed at the wagering  
11 instrument redemption machine were not footed and traced to the totals recorded in the  
12 system at least quarterly. This is a violation of ICP Slots #123. This is a recurring violation  
13 cited in the violation letter dated September 19, 2022.

14 83. T&L agent discussions with Owner on September 27, 2023, revealed the  
15 accounting department did not foot all points-redeemed and trace to the system generated  
16 totals. Additionally, points redeemed documentation was not reviewed for propriety on a  
17 quarterly basis. This is a violation of ICP Slots #126. This is a recurring violation cited in  
18 the violation letter dated September 19, 2022.

19 84. T&L agent discussions with Owner on September 27, 2023, revealed  
20 personnel independent of the individuals that set up or make changes to the system  
21 parameters did not test to verify the accuracy of the awarding of points based on the dollar  
22 amount wagered. Additionally, the accuracy of the configuration parameters was not  
23 tested on an annual basis. This is a violation of ICP Slots #127. This is a recurring violation  
24 cited in the violation letter dated September 19, 2022.

25 85. T&L agent discussions with Owner on September 27, 2023, revealed the  
26 access listing for all computerized systems was not reviewed for appropriate functions an  
27 employee can perform on at least a quarterly basis. This is a violation of ICP Slots #133.  
28 This is a recurring violation cited in the violation letter dated September 19, 2022.



1       86. T&L agent discussions with Casino Manager and Assistant Manager, and  
2 examination of slot documentation on September 27, 2023, revealed that a checklist is  
3 utilized; however, exceptions and follow-up are not performed or documented, and changes  
4 to slot documents by accounting personnel are not distinguishable. This is a violation of  
5 ICP Slots #136.

6       87. T&L agent discussions with Owner on September 11, 2023, and observation  
7 of the cage countdown revealed increases and decreases to the cage accountability are not  
8 properly supported by documentation, nor summarized on a per shift basis. This is a  
9 violation of ICP Cage & Credit #2 and #3. This is a recurring violation of ICP #2 cited in  
10 the violation letter dated September 19, 2022, and ICP #3 cited in the violation letter dated  
11 May 30, 2019.

12       88. T&L agent discussions with Owner and Assistant Manager on September 27,  
13 2023, revealed casino accountability is not counted, recorded and signed by at least two  
14 persons on an accountability form. This is a violation of ICP Cage & Credit #4.

15       89. Each of the actions noted in this Count are separate violations pursuant to  
16 NRS 463.310(4)(d)(2).

17       90. RESPONDENT's actions as set out above constitute violations of Nevada  
18 Revised Statute 463.170 and/or Nevada Gaming Commission Regulations 5.010, 5.011,  
19 and/or 6.040. This constitutes an unsuitable method of operation, and, as such, is grounds  
20 for disciplinary action. See NRS 463.170(8); Nev. Gaming Comm'n Regs. 5.010(2), 5.011(1)  
21 and 5.030.

22                                   **COUNT SIX**  
23                                   **UNSUITABLE METHOD OF OPERATION**  
24                                   **REGARDING IMPROPER AND INACCURATE**  
25                                   **COMPUTATION OF GROSS REVENUE**

26       91. The BOARD realleges and incorporates the above paragraphs by reference as  
27 though set forth in full herein.

28       92. T&L agent performance of the revenue reconciliation and detail testing of slot  
documentation for the review period, March 1, 2021, through August 31, 2023, revealed the  
metered wagering instrument amount, is used to calculate slot drop rather than the actual



1 wagering instruments counted in the currency acceptor count. Additionally, unapproved  
2 reports were utilized to report revenue on the NGC tax returns.

3 93. A nonrestricted gaming licensee is required to use actual money or wagering  
4 instruments received rather than money or wagering instruments recorded by the slot  
5 machines meters to determine gross revenue. The failure to use actual counts of money or  
6 wagering instruments in calculating gross revenue is a violation of Gaming Commission  
7 Regulation 6.110.

8 94. T&L agent performance of the revenue reconciliation revealed expired slot  
9 wagering vouchers were improperly reported on the NGC tax return in 21 of 30 (70%)  
10 months during the review period, March 1, 2021, through August 31, 2023.

11 95. A nonrestricted gaming licensee is required to include 25% of expired slot  
12 wagering vouchers in its reported gross revenue. The failure to properly report expired slot  
13 wagering vouchers in gross revenue is a violation of Gaming Commission Regulation 6.110.

14 96. RESPONDENT's actions as set out above are a violation of Nevada Revised  
15 Statute 463.170 and/or Nevada Gaming Commission Regulations 5.010, 5.011, and/or  
16 6.110. This constitutes an unsuitable method of operation, and, as such, is grounds for  
17 disciplinary action. See NRS 463.170(8); Nev. Gaming Comm'n Regs. 5.010(2), 5.011(1) and  
18 5.030.

19 97. Each of the actions noted in this Count are separate violations pursuant to  
20 NRS 463.310(4)(d)(2).

21 98. RESPONDENT's actions as set out above constitute violations of Nevada  
22 Revised Statute 463.170 and/or Nevada Gaming Commission Regulations 5.010, 5.011,  
23 and/or 6.040. This constitutes an unsuitable method of operation, and, as such, is grounds  
24 for disciplinary action. See NRS 463.170(8); Nev. Gaming Comm'n Regs. 5.010(2), 5.011(1)  
25 and 5.030.

26 **COUNT SEVEN**  
27 **UNSUITABLE METHOD OF OPERATION**  
28 **REGARDING DROP BOX COUNT TIMES AND PERSONS AUTHORIZED TO BE**  
**PRESENT AND/OR PARTICIPATING DURING A COUNT**

99. The BOARD realleges and incorporates the above paragraphs by reference as



1 though set forth in full herein.

2 100. T&L agent detail testing of the slot count performed on May 29, 2023,  
3 revealed a count team member participated in the count; however, she was not included in  
4 the count personnel list for the second quarter of 2023.

5 101. T&L agent examination of currency acceptor count documentation and  
6 discussions with Owner on September 25, 2023, revealed an emergency drop and count was  
7 performed on September 24, 2023, without advanced written notice to the Board.

8 102. A nonrestricted gaming licensee is required to report all persons who may  
9 participate in or be present while a count is being performed to the Board. Removal and  
10 counting of drop boxes may only be performed at times reported to the Board unless  
11 advance notice is provided to the Board. These constitute violations of Nevada Gaming  
12 Commission Regulation 6.130.

13 103. These are recurring violations cited in the violation letter dated September  
14 19, 2022.

15 104. RESPONDENT's actions as set out above are a violation of Nevada Revised  
16 Statute 463.170 and/or Nevada Gaming Commission Regulations 5.010, 5.011, and/or  
17 6.130. This constitutes an unsuitable method of operation, and, as such, is grounds for  
18 disciplinary action. See NRS 463.170(8); Nev. Gaming Comm'n Regs. 5.010(2), 5.011(1) and  
19 5.030.

20 105. Each of the actions noted in this Count are separate violations pursuant to  
21 NRS 463.310(4)(d)(2).

22 106. RESPONDENT's actions as set out above constitute violations of Nevada  
23 Revised Statute 463.170 and/or Nevada Gaming Commission Regulations 5.010, 5.011,  
24 and/or 6.040. This constitutes an unsuitable method of operation, and, as such, is grounds  
25 for disciplinary action. See NRS 463.170(8); Nev. Gaming Comm'n Regs. 5.010(2), 5.011(1)  
26 and 5.030.

27 ///

28 ///



**COUNT EIGHT**  
**UNSUITABLE METHOD OF OPERATION**  
**REGARDING THE FAILURE TO MAINTAIN REQUIRED BANKROLL RECORDS**

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

108. T&L agent discussions with Owner on September 27, 2023, and examination of bankroll documentation revealed sufficient backup documentation was not maintained for monthly bankroll computations.

109. A nonrestricted gaming licensee is required to create and maintain accurate monthly computational records of bankroll calculations and actual available bankroll. The failure to maintain sufficient backup documentation regarding bankroll constitutes a violation of Nevada Gaming Commission Regulation 6.150.

110. RESPONDENT's actions as set out above are a violation of Nevada Revised Statute 463.170 and/or Nevada Gaming Commission Regulations 5.010, 5.011, and/or 6.150. This constitutes an unsuitable method of operation, and, as such, is grounds for disciplinary action. See NRS 463.170(8); Nev. Gaming Comm'n Regs. 5.010(2), 5.011(1) and 5.030.

111. Each of the actions noted in this Count are separate violations pursuant to NRS 463.310(4)(d)(2).

112. RESPONDENT's actions as set out above constitute violations of Nevada Revised Statute 463.170 and/or Nevada Gaming Commission Regulations 5.010, 5.011, and/or 6.040. This constitutes an unsuitable method of operation, and, as such, is grounds for disciplinary action. See NRS 463.170(8); Nev. Gaming Comm'n Regs. 5.010(2), 5.011(1) and 5.030.

**PRAYER FOR RELIEF**

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

///



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

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


6        3.     That the Commission take action against RESPONDENT's licenses pursuant  
7 to the parameters defined in NRS 463.310(4); and

8        4.     For such other and further relief as the Commission may deem just and  
9 proper.

10                DATED this 12th day of June 2025.

11                                NEVADA GAMING CONTROL BOARD

12                                  
13                                KIRK D. HENDRICK, Chairman

14                                  
15                                HON. GEORGE ASSAD (RET.), Member

16                                  
17                                CHANDANI K. SENDALL, Member

18 Submitted by:

19 AARON D. FORD  
20 Attorney General

21 By:

22          
23        JOHN S. MICHELA  
24        Senior Deputy Attorney General  
25        Gaming Division  
26        (775) 687-2118  
27  
28