



Mashantucket Pequot Tribal Nation

Gaming Commission

February 13, 2012

TCORS
Attorney Robert D. Tobin
43 Broad Street
P.O. Box 58
New London, CT 06320-0058

RE: Clients Cheung Yin Sun, Long Mei Fang & ZongYang Li

I have reviewed Patron Complaint #PC11-7021 which has been filed by Cheung Yin Sun, Long Mei Fang & ZongYang Li with the Mashantucket Pequot Tribal Nation Gaming Commission. The complaint indicates that the three clients are seeking to be paid money as follows:

Cheung Yin Sun	\$738,000
Long Mei Fang	\$1,500,000
Zong Yang Li	\$505,000

The requested money represents the amount they placed into respective Customer Deposit accounts at Mashanticket Pequot Gaming Enterprise (MPGE) as well as winnings accumulated over an extended period while gambling at the game of Mini Baccarat. The MPGE refused to pay the money to each respective patron until an investigation into the play of the patrons was completed.

It is my understanding that a partial agreement between MPGE and your clients has been reached as to the sums placed on Customer Deposit. Specifically, the initial funds placed into the patrons' Customer Deposit accounts by wire transfer have been returned to each respective patron. All that remains to be settled is the ownership of the gaming chips that would otherwise be considered your clients' "winnings", but for the questions raised by the subject investigation. It's my understanding that as a result of an agreement reached with the MPGE, your clients voluntarily surrendered these chips to be held in an escrow account pending the conclusion of all proceedings related to this investigation.

Based on the investigation conducted by the MPTN Surveillance Department, it has been determined that the three patrons "won" approximately \$1.2 million dollars while playing Mini Baccarat during grave shift on December 24, 2011. During that time, Surveillance recordings show that the patrons altered their wagers in the following manners after the cards were dealt:

EXHIBIT A

- Adding chips to existing wagers
- Removing existing wagers
- Placing new wagers

The changing of wagers after the cards are dealt is against gaming rules and regulations at the MPGE. **Standards of Operation and Management (SOM)** govern how the table games are conducted at MPGE. SOM A-23.02, R12, 02/18/10; section 4 Gaming Pits and Tables; Subsection 4.6 Wagers indicates the following:

(e) Once a wager has been made and action has taken place with respect to that wager, a patron shall not handle, remove, or alter the wager until a decision has been rendered and implemented with respect to that wager, unless otherwise stated in the Game-Specific SOM.

Game specific SOM A-23.05, R10, 10/27/11 Baccarat, Midi Baccarat, and Mini Baccarat does not contain any exception to the above mentioned rule.

In addition, the State of Connecticut General Statutes; Title 53* Penal Code; Chapter 952* Penal Code; Offenses indicates the following:

***Sec. 53a-127d. Cheating: Class D felony or class B misdemeanor.** (a) A person is guilty of cheating when, in the course of playing or conducting any lawful gambling game, he: (3) intentionally places, increases or attempts to increase a winning wager or decreases or attempts to decrease a losing wager after that period of time during which the rules of a lawfully operated game of chance permit a wager to be placed or after the results of the game in which the wager has been placed become known.*

I conclude that the patrons violated rules and regulations governing gaming at the MPGE and therefore are not entitled to the chips that were “won” while wagering at the game of Mini Baccarat. As such, the chips are the property of the MPGE and are to be returned to the MPGE within ten business days.

In addition, I find that the activity the patrons engaged in jeopardized the integrity of the gaming operations at the MPGE. Therefore, patrons Cheung Yin Sun, Long Mei Fang & ZongYang Li are hereby Excluded from attendance at the MPGE. If they should return to Foxwoods or the MGM Grand at Foxwoods, they will be subject to arrest by the Connecticut State Police for Simple Trespass.

If you disagree with my findings, you may request an Administrative Hearing on this matter within 10 business days. Your request for a hearing must be in writing and addressed to:

Gaming Commission Chair
350 Trolley Line Boulevard
P.O. Box 3250
Mashantucket, CT 06338-3250

I will forward a copy of this response to Table Games for their records.

Sincerely,



Chester Sicard
MPTNGC Director - Inspection Division

Copy: F. Leone, V. P. Table Games
Gaming Commission
File

**Mashantucket Pequot Tribal Nation
Gaming Commission**

**NOTICE OF DECISION
IN THE MATTER OF: Appeal Hearing AD 12-09**

**Chung Yin Sun, Long Mei Fang,
and Zong Yang Li**

V.

**Mashantucket Pequot
Gaming Enterprise**

**For: Claimants/Appellants
F. Jerome O'Malley, Esq. and,
Robert D. Tobin, Esq.
Tobin, Carberry, O'Malley, Riley
and Selinger, P.C.**

**For Respondent/Appellee
Edward W. Gasser, Esq.
Gasser Law Firm, LLC
and
Michael W. Santagata,
MPTN Office of Legal Counsel**

PROCEDURAL HISTORY

At issue in this case is the disposition of \$1,148,000 in Mashantucket Pequot Gaming Enterprise (hereinafter "MPGE" or "Respondent") gaming chips/plaques currently being held by a third party Escrow Agent, pursuant to an Escrow Agreement (hereinafter the "Agreement") entered into by the MPGE and Chung Yin Sun, Long Mei Fang and Zong Yang Li (hereinafter "Claimants" or "Petitioners") on December 29, 2011. Claimants entered into the Agreement following the MPGE's refusal to redeem said chips/plaques, while simultaneously "freezing" their customer deposit accounts. As part of those negotiations, MPGE agreed to return the approximately \$1.6 million that had been deposited in the Claimant's customer deposit accounts. The Agreement left unresolved the December 25, 2011 "Patron Complaint" (which challenged the MPGE's refusal to pay (redeem) Complainant's \$1.148 million in "winnings") filed with this Commission's Inspections Division, but it specified that this Commission had the "...jurisdiction and authority..." to render a

“...final and non-appealable decision...” regarding the ultimate “ownership” of the chips [See “Agreement” ¶¶ 3, 4, and 5]

By letter dated February 13, 2012, Chet Sicard, Director of the Gaming Commission’s Inspections Division, advised Claimants’ attorney that based upon an investigation into their play at the game of Mini Baccarat on December 23 and 24, 2011, their Patron Complaint was denied. Director Sicard stated:

“I conclude that the patrons (Claimants) violated rules and regulations governing gaming at the MPGE and therefore are not entitled to the chips that were “won” while wagering at the game of Mini Baccarat.”

Director Sicard also concluded that, based upon that same conduct, the Claimants posed a threat to “...the integrity of the gaming operation at MPGE...” and were therefore “excluded” from the property.

Claimants appealed Director Sicard’s decision¹, and, as a result of a Pre-Hearing Conference on the matter, it was agreed that, rather than this Commission’s usual process of an Administrative Hearing before a single Commissioner, a *de novo* hearing would be held before the full Commission. This decision was based on the assumption that, irrespective of which party prevailed at an Administrative Hearing, the losing party would likely appeal to the full Commission.

The referenced *de novo* Appeal Hearing before the full Commission commenced on July 10, 2012 and encompassed three days of testimony from four witnesses, as well as the introduction of

¹ There was no appeal of the Claimant’s Exclusion Order.

various documentary/video evidence. The hearing concluded with closing arguments on July 13, 2012.

STATEMENT OF FACTS²

In our view, the vast majority of the relevant facts were either stipulated, or were amply supported by the record before us; hence, they are presented in the following summary fashion.

1. The subject gaming activity by Claimants on December 23 and 24, 2011 (hereinafter “December visit”) had been preceded by a previous visit/play over a four day period in November 2011 (hereinafter “November visit”), when they won approximately \$388,000 playing Mini Baccarat.
2. The “diamond back” cards in use during the December visit were “unevenly” cut, or “miscut”, by the manufacturer, such that the “diamonds” on one outside (long) edge of the cards would reflect a fuller diamond shape than those on the opposite edge. This manufacturing “flaw” was the same for every card in the deck, irrespective of suit or value.³

² Unless otherwise specifically noted, our findings of fact are based on stipulations between the parties, or directly from the testimony/evidence presented.

³ See following comments from George Joseph article of November 9, 2011 (Exhibit 1)

“There is information from a Las Vegas strip casino and from Atlantic City Casinos that a hybrid sort technique is being used in casino play. As in old factory sorts for private games, there is a great deal of preparation necessary for casino sorts as well.

The information I received first hand was that players on the Baccarat game instructed dealers as to the direction to turn over face down (dealt) cards.

The players asked to see the face down card. If the card was Strong; 9, 8, or 7, the players asked for the card to be turned over long wise. Players instructed dealers to turn over Weak cards sideways... 10, Ace, 2, 3... etc.

This activity occurred during the “Set Up” shoe with relatively small wagers. The end result is that several Strong cards were now faced in a fashion which could be recognized in the opening on the shoe, during the next shoe... “Target” shoe.

3. Claimants were aware of this flaw and admittedly engaged in “side sorting” which encompassed having the dealers return 6, 7, 8 and 9 value cards to the discard rack with one or the other of the miscut edges (e.g. fuller/full diamond) on one side, while on all other value cards, that same miscut edge was on the opposite side.
4. As the Claimants did not testify or otherwise appear at the hearing, we accept Respondent’s position that Claimants spent the first several hours of their approximately 10 hours of play during the December visit, “side sorting” 16 decks (8 red, 8 blue) of cards (two full shoes) in the manner described above.
5. As they had done during their November visit, the Claimants requested that, after the dealers dealt all four cards face down, they “open” the cards one at a time, revealing the value to the players Claimants would then direct the dealer how to flip the cards before “facing” them on the table and finally returning them to the discard rack (see 3 above). From time to time, a colleague⁴ of Claimants would request the “correct” orientation of the card prior to its placement in the discard rack, by demonstrating with a pack of cigarettes.
6. Prior to commencement of their December play, Claimants requested, and were granted the following by MPGE:
 - Maximum bet limit was raised from \$30k to \$50k;
 - That some/all of the same dealers and floor supervisors that dealt/oversaw their play in November would be assigned to them for this visit;
 - That the selected table have an automatic shuffler;

The obvious break in procedure was allowing customers to instruct dealers as to how playing cards should be turned. In effect, the players took control of the game.”

⁴ Claimants stipulated that the actions/play of this individual (Wu) during the December visit could be imputed to them. At almost all relevant times Wu occupied position 1 at the table.

7. Claimants, and other anticipated players in the group, were generally deemed to be “high end”, based upon their level of play during their November visit and the substantial advance customer deposits for their December visit. While such status was undoubtedly reflected in marketing decisions relating to travel expenses, room arrangements and normal “complimentaries”, those decisions were not the subject of this proceeding.
8. Claimant Sun and player Wu (identified in 5 above) had, at some point in October of 2011, engaged in a similar manner of Mini Baccarat play (“side sorting”) at two prominent Las Vegas casinos resulting in a “win” of approximately \$2 million. Player Wu had been observed on that occasion “instructing” a dealer how to flip the cards, by demonstrating with a pack of cigarettes, as he did during the December visit to MPGE. It is not clear from our record whether the other Claimants were also participants in those games or whether “altered” wagers were permitted.
9. Claimants originally scheduled their December visit for the period December 23, 2011 through December 27, 2011.
10. A review of the Claimants’ play was initiated shortly after they stopped playing at approximately 7:30 a.m. on December 24, 2011. That “review” included both joint and independent efforts from the MPTN (Mashantucket Pequot Tribal Nation) Surveillance Department, MPTN Gaming Commission and, most notably, the MPGE Table Games Department. Given the significant customer deposits and increased betting limits, VP of Table Games Frank Leone, had previously scheduled a “post-play analysis” to begin once play ended on December 24, 2011 and had “double floor coverage” (2 Floor Supervisors for the table) assigned to Claimants’ game.
11. According to the testimony of V.P. Leone, as confirmed by a Surveillance Department log of the Claimants’ play, after both shoes (16 decks) had been fully “sorted”, the players eventually

began a more aggressive betting pattern, moving from cumulative average bets of \$10k or less per hand to a period beginning at approximately 4:30 a.m. where the cumulative bets often averaged \$50k or more, best exemplified by a seven hand stretch where \$729k was bet.

12. V.P. Leone also testified that the post play analysis revealed that during one extended period of play, the Claimants wagered on the “same side” (all of them bet either “Player” or “Banker” during the same hand) 396 times out of 400 bets. He attributed this to what he described as a “four card sort”, where, with the shoe fully sorted and the cards dealt face-down, the players were able to tell by viewing the miscut edges which of the two-card hands contained 6, 7, 8 or 9 value cards, and which did not. By his calculation this provided the players with a 20.9% statistical advantage over the house.⁵
13. During this same period (post 4:30 a.m.) the Claimants also began to “alter” their wagers, sometimes changing the “side” (“Banker” or “Player”) of their wager, but usually just increasing their original bets or making initial wagers after the cards were dealt face-down, but before their values were revealed. He estimated, as confirmed by the above referenced Surveillance Log, that approximately \$2.6 million in bets were “past posted” in this manner between 4:30 a.m. and the Claimants’ departure from the table at approximately 7:30 a.m.
14. VP Leone further testified that he did not “authorize” the subject dealing style (i.e. cards being dealt face-down and re-oriented to “sort” the decks) nor did he, or could he, authorize the posting of wagers after the commencement of play, which in his view occurs when the dealer either signals (with a hand wave) or audibly advises “no more bets”, or in the absence of either of those events, when the dealer begins to take the first card from the shoe.

⁵ V.P. Leone also noted that the so-called “house edge” in Mini Baccarat is 1.06% for “Banker” bets and 1.24% for “Player” bets. When a player – usually sitting in spot/position 1 closest to the shoe – is able to gain knowledge of the first card out of the shoe the “edge” switches to a 6.76% average advantage to the player (.76% to 21.53% depending on the value of the first card).

15. While no Dealers or Floor Supervisors testified, the record is replete with either testimonial hearsay references or interview reports (most notably Surveillance Senior Investigator Jeff DeClerck's February 28, 2012, 21-page Investigative Report, Exhibit P-1) that provide the following "explanations" for why the side sorting and late/altere d wagers were permitted:

- That "high end" or "high roller" patrons are routinely granted "concessions", "accommodations" or "special treatment" or a "pattern of privileges" which various employees attributed to the ideal of "good customer service".
- That during both the November and December visits Claimants premised their requests for specific Table Games personnel on whom they deemed to be "lucky".
- Similarly, Claimants had professed that the manner in which they asked the cards be "opened" and flipped, was based on "superstition". In many instances dealers "accommodated" the Claimants' requests, either because the Floor Supervisor allowed it, or because it was no different than what they had been "allowed" to do during their November visit.
- That both the requested "opening" and reorientation of the cards, as well as the "past posting" that occurred before the card values were revealed, was permitted by dealers and Floor Supervisors as it provided "no perceived benefit" to the Claimants. We take this to mean that most of the relevant personnel knowingly engaged in the requested conduct, but were unaware of either the Claimants' actual intent, or that Claimants' "past posting" was premised upon the "4 card sort" discussed above.

CONCLUSION

Per the terms of our Gaming Procedures (often referred to as the "Compact") the MPTNGC (this Commission) is, and has always been, "...the single tribal agency responsible for regulatory

oversight of Class III Gaming...” at Mashantucket [Procedures Section 2, “Definitions”, (2)]⁶. Section 7(a) of the Tribal Gaming Law thereafter defines our responsibility to “adopt” standards of operation and management (SOM) with the stated purpose of “...protect(ing) the public interest in the integrity of the gaming operation, (which standards) shall reduce the dangers of unsuitable, unfair or illegal practices and methods and activities in the conduct of gaming.”

As previously noted, this matter is before us as a result of the Patron Complaint filed with our Inspection Division on December 25, 2011, which “...challenged the MPGE’s refusal to pay

⁶ In a previous Decision (*Foxwoods Dealers’ Toke Committee v. MPGE*) rendered April 7, 2009, we noted the basis for and scope of this Commissions’ authority/responsibilities as follows:

This Commission’s existence, in a legislative sense, is owed to three critical enactments. The first, which is the bedrock of all Native American gaming, is the Indian Gaming Regulatory Act (IGRA) passed by Congress in 1988 to delineate the specific conditions under which “Indian Lands” may be used by federally recognized tribes to conduct gaming activities. The second, the “Final Mashantucket Pequot Gaming Procedures”, has become more widely known as the “Compact”, and was “prescribed” by the Secretary of the Interior in May 1991 to set forth the procedures under which the Mashantucket Pequot Tribal Nation could conduct Class III gaming on its Reservation [56 Fed. Reg. 24996 (May 31, 1991)]. The third component is the Tribal Gaming Ordinance, now better known as the Tribe’s “Gaming Law”, the purpose of which is to:

“... provide for the sound regulation of all gaming activities on lands within the jurisdiction of the Mashantucket Pequot Tribe, in order to protect the public interest in the integrity of such gaming activities, [and] to prevent improper or unlawful conduct in the course of such gaming activities ...” III M.P.T.L. ch. 1 “Statement of Policy”

As defined in the Compact, the Tribal Gaming Commission is – unless the Tribe should designate some other Tribal agency to fill that role – “...the single tribal agency responsible for regulatory oversight of Class III Gaming...” on the Reservation. (Compact Section 2(2) “Definitions”) As is made clear in Compact Section 13(a):

“...The Tribal gaming agency may investigate any report of a failure to comply with the provisions of this Compact or the applicable laws and ordinances of the Tribe and may require the Tribal gaming operation to correct such failure upon such terms and conditions as the Tribal gaming agency may determine necessary.”

That section goes on to conclude:

(redeem) Complainants' \$1.148 million in winnings" Director Sicard's subsequent decision to deny the Claimants' Patron Complaint stated as follows:

"Based on the investigation conducted by the MPTN Surveillance Department, it has been determined that the three patrons "won" approximately \$1.2 million dollars while playing Mini Baccarat during grave shift on December 24, 2011. During that time, Surveillance recordings show that the patrons altered their wagers in the following manners after the cards were dealt:

- Adding chips to existing wagers
- Removing existing wagers
- Placing new wagers

The changing of wagers after the cards are dealt is against gaming rules and regulations at the MPGE. **Standards of Operation and Management (SOM)** govern how the table games are conducted at MPGE. SOM A-23.02, R12, 02/18/10; section 4 Gaming Pits and Tables; Subsection 4.6 Wagers indicates the following:

(e) Once a wager has been made and action has taken place with respect to that wager, a patron shall not handle, remove, or alter the wager until a decision has been rendered and implemented with respect to that wager, unless otherwise stated in the Game-Specific SOM.

Game specific SOM A-23.05, R10, 10/27/11 Baccarat, Midi Baccarat, and Mini Baccarat does not contain any exception to the above mentioned rule."

Director Sicard then noted the following:

"In addition, the State of Connecticut General Statutes; Title 53* Penal Code; Chapter 952* Penal Code; Offenses indicates the following:

Sec. 53a-127d. Cheating: Class D felony or class B misdemeanor. *(a) A person is guilty of cheating when, in the course of playing or conducting any lawful gambling game, he: (3) intentionally places, increases or attempts to increase a winning wager or decreases or attempts to decrease a losing wager after that period of time during which the rules of a lawfully operated game of chance permit a wager to be placed or after the results of the game in which the wager has been placed become known."*

"The Tribal gaming agency shall be empowered by Tribal ordinance to impose fines and other appropriate sanctions within the jurisdiction of the Tribe upon any person who violates provisions of this Compact or the applicable Standards of Operation and Management adopted by the Tribal gaming agency."

While Director Sicard apparently placed no specific reliance on whether Claimants' conduct amounted to "cheating" (nor do we) as defined above, we will briefly address the issue, as there were numerous references in the testimony and arguments attempting to draw a distinction between "advantage play" and "cheating" as well as references to the "involvement" of various law enforcement agencies.⁷ We find that the application/enforcement of the criminal standard for "cheating" (or, more precisely, the election not to apply/enforce that statute) to be of no moment for purposes of this Decision. Additionally, we note that a portion of the subject statute addresses players who, "...place, increase or attempt to increase a winning wager..." (emphasis added). There's no suggestion in our record that Claimants engaged in past posting after the results if a "winning" hand were known, but rather, that they past posted/bet after the cards were dealt, but before the results were known. While the statute also alternatively appears to make it a criminal violation for a player to bet "...after that period of time during which the rules of a lawfully operated game of chance permit a wager...", but before the "results" are known, we acknowledge the difficulty a criminal prosecutor would face, given the fact the dealers/supervisors did not enforce the "rules"/SOM that forbid bets after the deal is commenced.

We also note, parenthetically, that the burden of proof in a criminal proceeding would rest with the prosecution, and the "standard of proof" would be "beyond a reasonable doubt". The standard in this proceeding is simply a "preponderance of the evidence".

Claimants also advanced the argument that "side sorting" is simply another form of "advantage" play. While we are familiar with that expression, typically it is applied in the context of a player with some

⁷ Specifically, Claimants suggested that "cheating" was not a relevant issue as the State Police, State's Attorney's Office, presumably aware of the facts outlined above, had declined to prosecute. Similarly, Respondents elicited testimony regarding Senior Investigator DeClerck's "meeting" and/or "discussions" with the : 1) New London State's Attorney's Office; 2) U.S. Attorney's Offices for the Districts of both Connecticut and Nevada; 3) The FBI; and 4) Homeland Security officials.

level of ability to “count” cards. Hence, a “card counter” is often referred to with the more benevolent sobriquet, “advantage player”.⁸ Claimants position – if we were to accept it – would ultimately lead to the question of whether the “house”, in this case MPGE, could choose to engage a purported, suspected, or even “known” “advantage player” in his/her table game of choice (usually Blackjack). The short answer is, of course they can.⁹ There is no regulatory rule or regulation to preclude it, and, in fact, there are specific provisions that allow the MPGE to address a suspected card counter: e.g. limit mid-shoe entry, shuffle at any time, limit the player to the table minimum, etc. Simply put, MPGE could proceed at their own risk. As the procedural wherewithal to minimize the house risk is there to utilize, we would not look favorably upon a complaint by the MPGE that they had been “beaten” by a “card counter/advantage player” who employed nothing more than his/her own unique ability to recall – to some degree – the values of cards already played, particularly where the MPGE knowingly made the decision to accept his/her play.

Unlike an “Advantage player/card counter” discussed above, we find that Claimants engaged in a well-rehearsed stratagem¹⁰, the clear object of which was to gain a distinct statistical “edge” over the MPGE (see fn. 5) which turned the minimal house “edge” of 1.06% to 1.24% to a player “edge” of

⁸ Per “Wikipedia”: “Advantage gambling, or Advantage play, refers to a practice of using legal ways to gain a mathematical advantage while gambling.” It further defines that by describing “Angle shooting” as a type of advantage play involving “...legal, but possibly unethical ways to beat casino games.”

Interestingly, the “definition” concludes with the following observations:

“Advantage players abide by the established rules of the game and thus, in most jurisdictions, are not regarded as committing *fraud* against the casino.”

“An Advantage player typically uses mental, observational or technical skills to choose when and how much to bet, and (he/she) neither interferes with the instruments of the game nor breaks any of its rules”

⁹ We are also aware that MPGE, like many other casinos, may choose not to allow a known or suspected advantage player to play certain games and/or may limit or decline to offer that player participation in the normal complimentary (points) program.

¹⁰ Per “Merriam Webster’s - 10th Edition”: Stratagem - 1a) an artifice or trick in war for deceiving and outwitting the enemy
1b) a cleverly disguised trick or scheme for gaining an end 2) skill in ruses or trickery

nearly 21%. Claimants do not deny the “side sorting” or the “edge” it achieved for them, but argue that everything they did was “permitted/allowed” by the MPGE.

While this Decision does not ultimately turn on which MPGE employees at what levels “allowed” the Claimants to “side sort” 16 decks of miscut cards, Claimants’ argument is, nonetheless, troubling to us. More particularly, it raises significant regulatory concerns regarding basic “games protection”, but additionally it calls into question both the competency and, potentially, the integrity of at least some of the Dealers and Floor Supervisors who were most directly involved with Claimants’ play¹¹. In a different context it might be characterized as a question of which employee colluded¹² with the Claimants knowing the intent of the “side sorting” play, as opposed to those employees who were merely unwitting participants, who accepted the Claimants’ “superstitious” rationale for reorienting the cards, on the assumption they were just providing good “customer service” to “high end” players, or alternatively they did it because there was no rule or directive that dictated otherwise. On one hand employees who were “duped”, versus one or more who knowingly conspired to aid Claimants’ “conspiracy”.¹³

¹¹ While both MPGE and this Commission have already addressed disciplinary actions involving MPGE personnel, as a result of additional information provided in this proceeding this Commission intends to re-examine the entire issue.

¹² Per “Merriam Webster’s - 10th Edition”: Collusion - secret agreement or cooperation especially for an illegal or deceitful purpose”

¹³ Our case is also factually distinct from the two widely publicized mini-baccarat cases pending in New Jersey. In both cases the issue appears to turn on the use of “unshuffled” decks of cards that resulted in cards being dealt in the “... same suit and number order as they would with a new deck” A.C. Press, “Lack of shuffling leads to suit, firing” July 16, 2010. In one instance (Taj Mahal) a dealer “mistakenly” believed the decks in the shoe had been pre-shuffled. In the other (Golden Nugget) case, the house believed it was using decks that had come pre-shuffled from the supplier/manufacturer. (A.C. Press)

As discussed hereinafter, while the “side sorting” engaged in by Claimants was the critical operational element in their overall scheme to alter the ordinarily “random”¹⁴ outcome of a Mini Baccarat game, and correspondingly skew the normal 1+% house edge to be a 20% edge in their favor, their play after 4:30 am on December 24, 2012 when they placed/alterd their bets “...after that period of time during which the rules of a lawfully operated game of chance permit a wager to be placed...” leaves no room for dispute, and compels our decision to uphold the denial of their Patron Complaint.

More specifically, apparently not satisfied with the enhanced odds (approximately 6.76% player advantage) that came with the knowledge of whether the first card out of the shoe was “Player” or “Banker” friendly (for which purposes they merely had to follow Wu’s lead, and place their wagers before that first card was dealt) the Claimants almost routinely “altered” or placed wagers after all four cards had been dealt and they could utilize the “four card sort” discussed above. Thus, with a nearly

¹⁴ While the word “random” is used in the previously quoted section of the Connecticut Criminal Code and is given its normal meaning, we note the following commentaries as illustrative of the “challenge” facing a Baccarat/Mini Baccarat player.

“Baccarat is one of the oldest and most popular games in casinos all over the world. It is especially popular among high-rollers and Asian gamblers. In Macau, baccarat is extremely dominant. Although the game seems serious and elegant, it is really as simple as betting on the flip of a coin.” (wizardofodds.com/games/baccarat)

“Baccarat is a straightforward card game played against the bank. It is perfect for casino-game beginners since the rules are very simple, more or less like flipping a coin.” (www.casinoguide.com/a-complete-guide-to-baccarat.html)

“Baccarat is a pure game of chance; all things being equal, systems do not generally work with baccarat.

Baccarat is a pure game of chance; all things being equal, systems do not generally work with baccarat. The term “baccarat strategy” is oxymoronic. When systems work, there is no mathematical basis for the outcome. It’s a matter of pure luck. You won’t find the card counters flocking to the baccarat tables, because card counting is useless.” (casinoguide.com/baccarat-strategy.html)

“Baccarat Myths

Just like most other games baccarat is surrounded by many casino myths. Players have rituals and systems they think can help them beat the house. Naturally, all of them are nonsense...

There are a whole lot of other systems used, and all of them are pointless. They won’t make the odds more favorable, but on the other hand, they won’t make the odds any worse either. Baccarat is a game built solely upon chance and there is nothing you can do to alter that.” (www.casinoguide.com/a-complete-guide-to-baccarat.html)

21% “edge” in their favor, Claimants proceeded to “past post” some \$2.6 million in wagers in front of seemingly oblivious MPGE staff, at least some of whom concluded, there was “no perceived advantage”.

To the extent this case turns on the SOM referenced by Director Sicard in his decision, as well as the reasonable scope of this Commission’s authority to enforce both that specific SOM and all SOM generally, we again refer to our discussion in the Toke Committee Decision.

“Consistent with the above referenced Compact directive, the Tribe, through the Tribal Ordinance “empowered” the Gaming Commission with an extensive list of authority/responsibility reflected in 3 MPTL Ch. 1, §7(b) “Powers and duties of Commission”. Along with references to our authority to license certain employees and vendors [§§7(b)(7) and (8)], exclude certain “persons” [§ 7(b)(9)], review and approve “... floor plans and surveillance systems...” [§7(b)(5)] and “enforce the health and safety standards” [§ (b)(11)], the Ordinance specifies that the Commission will “...establish and revise Standards of Operation and Management for Class III gaming activities in accordance with the Compact.” [§§7(b)(6)]. Two of the Ordinance sections that reflect more directly on the intended scope of our jurisdiction are [§7(b)(2)] and [§7(b)(14)]. They provide as follows:

(2) The Commission may on its own initiative investigate any aspect of the operations of the Enterprise in order to protect the public interest in the integrity of such gaming activities and to prevent improper or unlawful conduct in the course of such gaming activities, and shall investigate any report of a failure of the Enterprise to comply with the provisions of the Compact or this Law and may require the Enterprise to take any corrective action deemed necessary by the Commission upon such terms and conditions as the Commission may determine appropriate. The Commission may compel any person employed by or doing business with the Enterprise to appear before it and to provide such information, documents or other materials as may be in their possession to assist in any such investigation. (emphasis added)

and,

(14) The Commission may receive any complaint from an employee of the Enterprise or any member of the public who is or claims to be adversely affected by an act or omission of the Enterprise which is asserted to violate this Law, the Compact, or the Standards of Management and Operation adopted pursuant to this Law, and may upon consideration of such complaint order such remedial action as it deems appropriate to bring the Enterprise into compliance with such provisions. The Commission may for this purpose, in its sole discretion, conduct a hearing and receive evidence with regard to such complaint if it deems an evidentiary proceeding useful in the resolution of such complaint.” (emphasis added)

As reflected in the above passages, this Commission's authority to address the Claimants' conduct is clearly not restricted to an analysis to determine whether they engaged in criminal conduct, but simply whether we find they engaged in, "... improper or unlawful conduct..." in the course of their "gaming activities". As noted above, a finding of "improper or unlawful conduct" is inescapable under the facts before us.

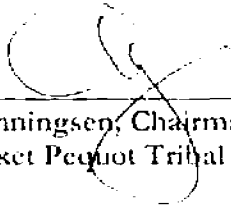
Additionally, the forgoing references to the scope of our authority make it perfectly clear that our role in both authorizing and enforcing the relevant SOM standards necessarily includes the capacity to intervene to prevent an "improper" payment to a patron, whether it be an overpayment or underpayment. When, as in this case, the subject "payment" was directly derived from obvious SOM violations, both our responsibility and authority are clear.¹⁵

Per the terms of the Escrow Agreement, it is the "...final, unappealable..." decision of this Commission that the subject gaming cheques/plaques be returned to Respondent/MPGE.

¹⁵ While Claimants advanced the notion that the SOM were essentially the MPGE's "responsibility" to follow and they only did what they (Claimants) were "allowed" to do, this rationale ignores this Commission's role as an independent regulatory authority, here to assure compliance to the SOM, irrespective "who, how, or why" they were violated. They are not akin to terms in a contract that the MPGE or Claimants can either waive or ignore; they are, in fact, essential elements in the body of "laws" referenced above.

Dated at Mashantucket, Connecticut this day of August 6, 2012.

For the unanimous Commission,



George Henningsen, Chairman
Mashantucket Pequot Tribal Nation Gaming Commission

cc: Tribal Council
E. Jerome O'Malley, Esq.
Robert D. Tobin, Esq.
Edward W. Gasser, Esq.
Michael W. Santagata, MP/TN Office of Legal Counsel
Jackson King, MP/TN Office of Legal Counsel
Scott Butera, President of Mashantucket Pequot Gaming Enterprise
Chet Sicard, Director of Inspections
File

STATE OF CONNECTICUT, DEPARTMENT OF PUBLIC SAFETY-
INVESTIGATION REPORT (DPS-683-E) (REVISED 2/3/06)



ACTION TAKEN:

On Monday December 26th, 2011 at approximately 7:30 pm, I (Detective Michael Robinson #903) met with Surveillance Senior Investigator Jeff DeClerk to consult about the allegations of a possible cheating scam conducted by three foreign Chinese Nationals on 12/23/2011 into the early morning hours of 12/24/2011.

On or about December 23rd, 2011 three foreign Chinese Nationals arrived at Foxwoods Resort & Casino with pre-authorized cashier checks. Long Mei Fang, DOB: 09/04/1961, Passport # [REDACTED], of Shanghai, China arrived with a pre-authorized \$1,000,000.00 check from American Continental Bank (Check #108443). Cheung Yin Sun, DOB: 05/21/1968, Passport # [REDACTED] of Hong Kong, China arrived with a pre-authorized \$300,000.00 check from Preferred Bank (Check #6417). Zong Yang Li, DOB: 10/25/1986, Passport # [REDACTED] of Shanghai, China arrived with a pre-authorized \$300,000.00 check from Preferred Bank (Check #6416). The three checks were lodged within the Casino's Cashier Bank. On 12/23/2011 the three patrons were authorized to withdraw money from the cashier bank in order to initiated casino play.

Long Mei Fang bought in for \$200,000.00 in casino play cheques and the cashier's bank held on to the remaining \$800,000.00. Cheung Yin Sun bought in for \$100,000.00 in casino play cheques and the cashier's bank held on to the remaining \$200,000.00. Zong Yang Li bought in for \$100,000.00 in casino play cheques and the cashier's bank held on to the remaining \$200,000.00. The three patrons were authorized to play a private game of baccarat where only Fang, Sun, and Li were privileged to play. Over a period of several hours, Fang increased her initial buy in of \$200,000.00 to 659,800.00. Sun increased her initial buy in of \$100,000.00 to \$343,200.00 and Li increased his initial buy in of \$100,000.00 to \$141,900.00. While the game was in play, the Casino authorized and changed the proper Baccarat table procedures to acknowledge good customer service with their high-roller patrons.

The playing action of Fang, Sun, and Li bears the preception of a known cheating scam documented in a published article dated November 9th, 2011 by George Joseph of Worldwide Casino Consulting and also supported by a published article dated November 2nd, 2011 by Willy Allison.

THE UNDERSIGNED, AN INVESTIGATOR HAVING BEEN DULY SWORN, DEPOSES AND SAYS THAT: I AM THE WRITER OF THE ATTACHED POLICE REPORT PERTAINING TO THIS INCIDENT NUMBER, THAT THE INFORMATION CONTAINED THEREIN WAS SECURED AS A RESULT OF (1) MY PERSONAL OBSERVATION AND KNOWLEDGE; OR (2) INFORMATION RELAYED TO ME BY OTHER MEMBERS OF MY POLICE DEPARTMENT OR OF ANOTHER POLICE DEPARTMENT; OR (3) INFORMATION SECURED BY MYSELF OR ANOTHER MEMBER OF A POLICE DEPARTMENT FROM THE PERSON OR PERSONS NAMED OR IDENTIFIED THEREIN; AS INDICATED IN THE ATTACHED REPORT. THAT THE REPORT IS AN ACCURATE STATEMENT OF THE INFORMATION SO RECEIVED BY ME.

INVESTIGATOR SIGNATURE: <i>Michael Robinson</i>	INVESTIGATOR I.D.#: 0903	REPORT DATE: 12/29/2011	SUPERVISOR SIGNATURE: <i>[Signature]</i>	SUPERVISOR I.D.#: 172
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1100892282 Cont.



STATE OF CONNECTICUT, DEPARTMENT OF PUBLIC SAFETY-
INVESTIGATION REPORT (DPS-683-E) (REVISED 2/3/06)

It is believed that Fang, Sun, and Li were aware of this particular cheating scam and took advantage of a known manufactures defect within the players cards utilized at Foxwoods Resort & Casino. Prior to Fang, Sun, and Li's arrival, Foxwoods Resort & Casino Management was aware of the published articles and the manufactures defect within the cards utilized at the Casino and made no attempt to change cards or train staff in identifying this cheating procedures. I have attached the above mentioned articles with this report, as well as, a rules sheet for the proper table play in reference to the game of Baccarat.

On or about 12/24/2011, the Casino identified the possibility of Fang, Sun, and Li cheating the Casino, at which time, the Casino froze all assets and initiated the internal investigation. The cashier checks were held in the vault pending clearance from the bank and the players cheques were turned over and entered into a trust pending the outcome of the investigation.

On Thursday 12/29/2011, Investigator Jeff DeClerk advised me the incident is being reviewed today and an attempt will be made between the Casino and Fang, Sun, Li's representation to bring this matter to a civil conclusion.

ACTION PENDING:

I will be waiting for supplemental reports from Detective John Patterson #1323 for his actions taken on 12/27/2011.

CASE STATUS: ACTIVE

<small>THE UNDERSIGNED, AN INVESTIGATOR HAVING BEEN DULY SWORN DEPOSES AND SAYS THAT: I AM THE WRITER OF THE ATTACHED POLICE REPORT PERTAINING TO THIS INCIDENT NUMBER. THAT THE INFORMATION CONTAINED THEREIN WAS SECURED AS A RESULT OF (1) MY PERSONAL OBSERVATION AND KNOWLEDGE; OR (2) INFORMATION RELAYED TO ME BY OTHER MEMBERS OF MY POLICE DEPARTMENT OR OF ANOTHER POLICE DEPARTMENT; OR (3) INFORMATION SECURED BY MYSELF OR ANOTHER MEMBER OF A POLICE DEPARTMENT FROM THE PERSON OR PERSONS NAMED OR IDENTIFIED THEREIN; AS INDICATED IN THE ATTACHED REPORT. THAT THE REPORT IS AN ACCURATE STATEMENT OF THE INFORMATION SO RECEIVED BY ME.</small>			
INVESTIGATOR SIGNATURE: <i>Michael Robinson</i>	INVESTIGATOR I.D.#: 0803	REPORT DATE: 12/29/2011	SUPERVISOR I.D.#: 192
/TFC MICHAEL ROBINSON/		SUPERVISOR SIGNATURE: <i>[Signature]</i>	

P.T.Z.

When it Comes to High Rollers, Watch Your Backs

(11/02/2011) Willy Allison

"All card games hinge on the fact that a card has two sides, one of which reveals its identity, while the other conceals it." - David Parlett

Not every player who wins a lot of money at the casino is a cheat. You don't have to be. Take for example the latest scam to hit Las Vegas casinos. An Asian high roller and his entourage are beating casinos not by breaking the law but by breaking the law of averages.

The scam works like this. The entourage will contact a casino and ask for some special concessions. They want to play Baccarat (the game of kings) and they want to bet big. But here's the catch: instead of playing Midi-Baccarat in the high-action salon, they want a standard face-up Mini-Baccarat game with an automatic shuffler. No big deal right? But wait, they want the dealer to deal the first 4 cards face down on the layout before they place a bet.

At this stage of the negotiation the high rollers tell their VIP casino host and the casino management that the casinos in Asia allow them to play the game "that way." If the casino is not willing to bend a few procedures to accommodate their special needs they will find another casino in town that will. This is every casino manager's dilemma. In the current casino environment the one thing that is sometimes harder to explain than a player winning a million dollars is a player with a million dollars going next door.

Of course, the high rollers get what they want. But wait – there's more. The players also request that when the dealer turns the cards to reveal the values they follow a special procedure. The special procedure dictates that the dealer pulls the end of the card closest to the player so they can peek the card's value. The player then instructs the dealer to reveal the card in one of two different ways, either by flipping from the end or turning by the sides. It should also be noted that the players only play one set of colored cards. When their preferred set needs to be shuffled they sit out until the automatic shuffle is complete. At this time they will ask for their preferred set of cards to be returned to the game.

They then proceed to take the casino to the cleaners.

This story starts back at the card manufacturers plant. It starts with back design. It comes to turn out that a good proportion of the casinos on the Las Vegas strip still use the old diamond-back style cards without borders around the edges. I don't know exactly what the number is but based on the website www.spinettisgaming.com, it looks to be around 65%.

The problem with cards that don't have borders on the back is they are more susceptible to being asymmetrical if not properly cut by the manufacturers. That's not to say that bordered cards are perfect either but in my opinion they are a better option, especially if they have a faded edge. The reason back designs should be symmetrical is so that players (or dealers) can't manipulate them during the game by "playing the turn." By turning an asymmetrical card 180 degrees it is possible to identify what the value of the card is before it is revealed. You simply glance at the edges on the back of the card. Essentially, playing the turn has the same effect as marking the cards and gives players a huge house edge. Who needs invisible ink and red-tinted sunglasses when you've got manufacturer-made "marked cards."

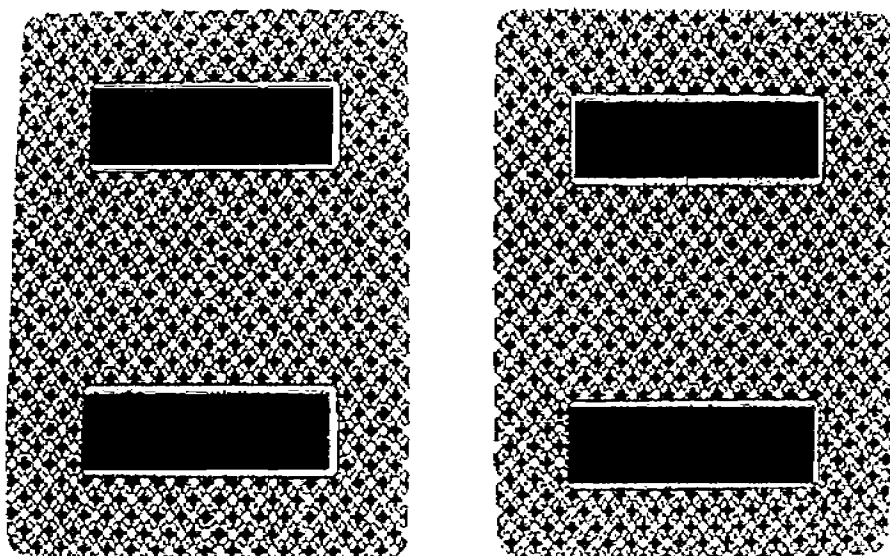
To investigate how big a problem badly cut cards are, I took a trip down to The Gamblers General Store. The GGS sells used decks of cards obtained from Strip properties. The cards have been cancelled out and sealed by the casinos. My mission was to find decks of cards that had been badly cut.

My investigation hit a stump when I first got to the store and read a sign that requested customers not to open the card boxes. Lucky for me, I found 9 decks that were already opened. All 9 of the decks were from different Strip properties. Of the 9, I found 3 had bordered edges. They were OK. Of the remaining 6 decks, 5 of them (83%) were cut badly to the point that I could identify them after the turn. I bought the 5 decks and oh by the way, the cards were definitely used cards. They looked and smelled like they were once used as paper wrap for Carl's Jr. Burgers.

When I got home with my "marked cards" I decided to try a little experiment with my 14-year old offspring. I took one of the decks and sorted the aces so that they were turned 180 degrees. I put them back with the other cards and gave the deck a shuffle. I then explained to her why the cards were defective by pointing out that one short edge was cut with full diamonds, the opposite edge cut with half diamonds. I told her to thumb

through the deck and without looking at the fronts, toss the 4 cards out that she thought might be the aces. Wala-Wala-Bing-Bang. Four Aces, first time. (I got some big time "daddy cool" credits for that little trick.)

**Example:
The same card rotated 180 degrees**



So getting back to our high-roller friends, it turns out they have managed to exploit and take advantage of faulty casino equipment and an ultra-competitive high-end market. By convincing management to instruct the dealer to turn the cards "their way" the casino actually sorted all the high cards (6-9) for the players. The players could then identify the cards and gain a considerable edge over the house. By combining the player's special procedure with the casino's standard procedure of always discarding the cards so the turned cards would never be disrupted, the players set themselves up for a very profitable outing. Having an opportunity to inspect the backs of the cards before placing their bet also facilitated a betting strategy that allows them to maximize their advantage beyond first card advantage.

In the wash-up the easy solution to preventing this scam (besides NOT turning the cards for the players) is to review the design of your cards and go with one that is less likely to be compromised. No defective cards. No scam. But it doesn't stop there. Casinos need to conduct regular inspections and audits of their equipment. This goes for cards, dice, roulette wheels, shufflers, shoes, chips etc. If the foundation of game protection is procedure, the integrity of gaming equipment is a close 2nd.

For those who like to play a little cat & mouse, Bill Zender recommends the following. When the shoe is completed and before the shuffle (MD machine or manual), the eight deck stack of cards needs to be broken in half, one half turned 180 degrees and then placed back on top of the other half. When the cards are placed into the machine, the machine will shuffle the cards and the previous "turn" information will be destroyed. It's the same as putting a turn into the single or double deck during the shuffle to prevent sort play in BJ.

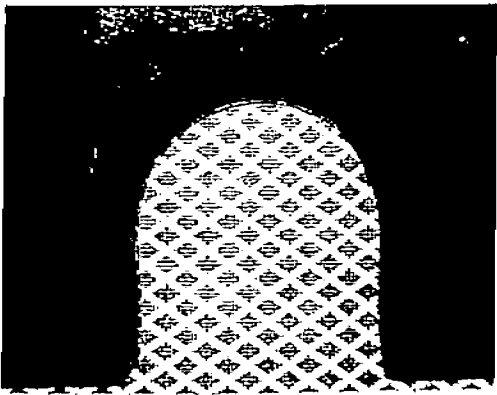
For me this scam highlights where casinos are in 2011. Big players can demand their own rules while at the same time casinos are searching for ways to cut cost. Now more than ever casinos need to define their game protection strategies to include a focus on gaming equipment security as well as the continued scrutiny and analysis of old, new and "foreign" procedures. The definition could determine whether your casino is in the gaming business or the gambling business.

"And that's what these hustlers look for, they cruise from casino to casino looking for weak dealers the way lions look for weak antelope" – Robert DeNiro in Casino

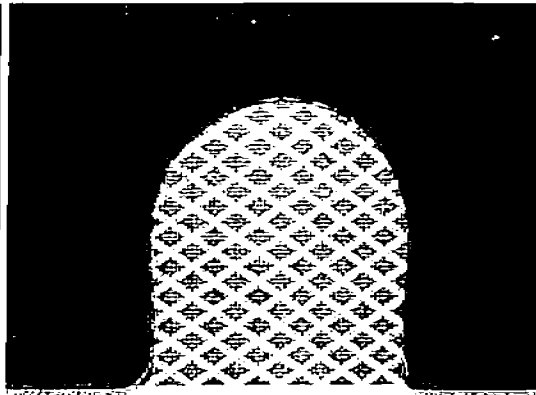


November 09-11

Just a quick update concerning a current industry scam. Members of an Asian Baccarat team were able to identify a factory defect in playing cards known as Side Sorts. Notice the photos below illustrating small & large diamonds.

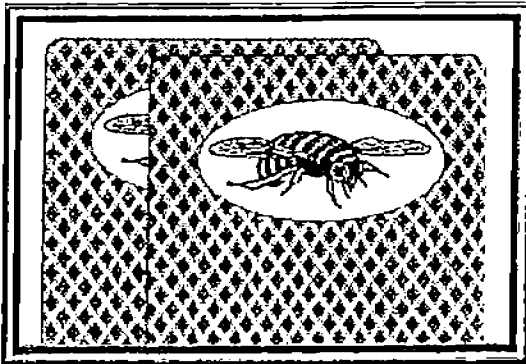


Diamond Sorts - Small Diamonds

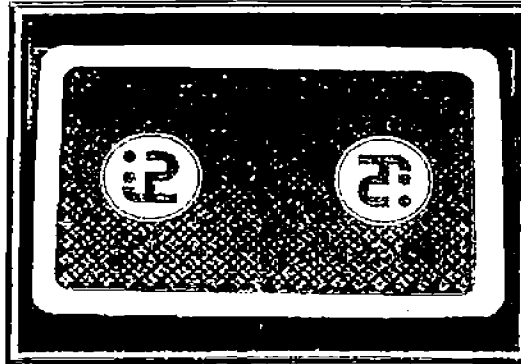


Diamond Sorts - Large Diamonds

Typically Factory Sorts are used in private games. There is also typically, a great deal of preparation necessary. Several decks of cards are "sorted" through to find irregular patterns, diamond or repeating pattern anomalies or irregular borders. Once a sort pattern is recognized, then selected cards are removed. As a simple example, let's assume high value cards with large diamond sorts are intermixed with low value cards that have small diamond sorts.



Diamond Edge Sorts for Private Games



Irregular Border Sorts



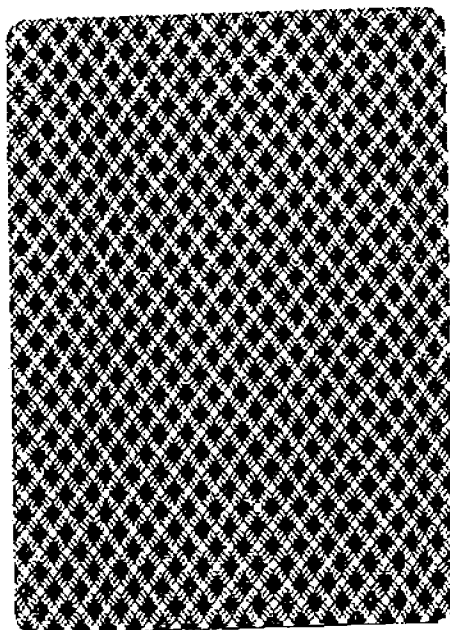
-2- Factory Sorts...11-09-11

You can see how easy it would be to identify High Value from Low Value cards in this private game scenario.

There is information from a Las Vegas strip casino and from Atlantic City Casinos that a hybrid sort technique is being used in casino play. As in old factory sorts for private games, there is a great deal of preparation necessary for casino sorts as well.

The information I received first hand was that players on the Baccarat game instructed dealers as to the direction to turn over face down (dealt) cards.

NOTICE: Irregular Diamonds on the long sides



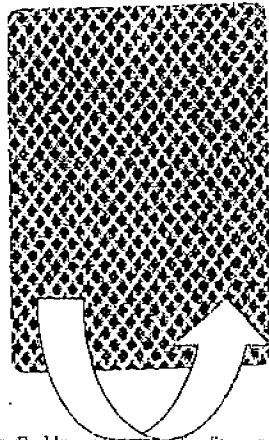
SMALL DIAMOND EDGE

LARGE DIAMOND EDGE

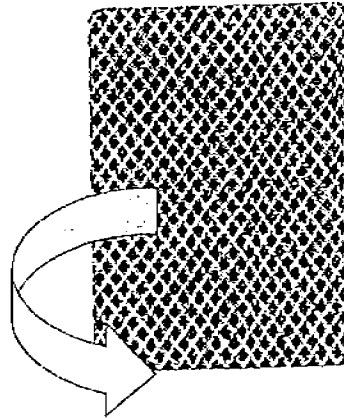
The players asked to see the face down card. If the card was Strong; 9, 8, or 7, the players asked for the card to be turned over long wise. Players instructed dealers to turn over Weak cards sideways...10, Ace, 2, 3...etc.



-3- Factory Sorts...11-09-11



End for End long Wise Turn for Strong Cards



Sideways Turn for Weak Cards

This activity occurred during the “Set Up” shoe with relatively small wagers. The net result is that several Strong cards were now faced in a fashion which could be recognized in the opening of the shoe, during the next shoe...“Target” shoe.

The obvious break in procedure was allowing customers to instruct dealers as to how playing cards should be turned. In effect, the players took control of the game.

Several mitigating issues need to be noted:

- The customers took control of the game
- Sorting cards in this fashion is not 100% accurate...So sometimes losses will occur even with exact knowledge of a Strong or Weak card
- Team members will wager as a unit in direct correlation to the value of the first card...Strong 1st card, Bet Player Side...Weak 1st card Bet Bank side



-4- Factory Sorts...11-09-11

- Players will have up to approximately 23.0% advantage on Strong Cards & up to approximately 8.0% on Weak Cards
- Irregular borders (Factory Sorts) are very common in playing card manufacturing...Just take a look at your cards
- Be aware that Advantage Players have been "Sorting" playing cards for years in such Carnival Games as Casino War & Three Card Poker
- Once sorted, playing card edges will not be interrupted even if put into a shuffle machine...Unless;
- Take a lesson from the "Old Days"...

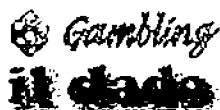
In order to defeat or slow down such Advantage Plays as Pip Tracking, Natural Warps and Sort Tracking dealers were instructed to "Turn" half the cards before beginning a shuffle-up. Not a bad procedure for the single deck Carnival games.

Call if you have questions.

Respectfully Submitted,

George D. Joseph
Worldwide Casino Consulting, Inc.

GJ/ccj



Baccarat rules (Punto Banco)

Graphic courtesy MGM Grand, NJ



Baccarat rules:

The basics and how to play baccarat

Baccarat or Punto Banco is usually played in a separate casino area. The playing table is about the size of a craps table with three casino dealers and up to 12 or 14 players.

There are just two principal bets to make: **banker** or **player - Banco** or **Punto**, plus the rarely used **Standoff**. Some casinos let the players deal the cards in turn and others have a casino dealer to deal the cards. In online Baccarat the cards are dealt automatically by a virtual dealer.

Each player, including the player dealing, may bet on either Punto or Banco but it is customary for the dealer to bet on Banco. Players may opt not to deal, passing the 'Shoe' to the next player. The shoe remains with one player as long as the Bank wins. If Punto wins, the shoe passes on to the next player.

Two hands are dealt and you bet which one will win, or that they will tie. It is just like betting on Black or Red at roulette, and the payoff is even money, 1:1 (except for the standoff, which pays 8-1 or 9-1). The only difference between the Banco and Punto bet is a win on Banco will cost you 5% commission or tax levied by the casino - the in-built advantage.

The reason for taxing the Banco is because it has been established that over an 8-deck cards play on average the Banco will win three to four hands more than the Punto.

Each hand consists of a minimum of two and a maximum of three cards. The person dealing will put two cards, face down, tucked under the shoe, and give the player with the largest bet on Punto the other two cards, face down.

The Punto player then looks at the cards and gives them back to the player who is dealing. Then the player who is dealing will turn over the cards of both hands while one of the casino dealers will announce the results and the winner.

If either hand has a total of 8 or 9 (nine is the highest), then it is called a 'Natural' and no more cards are dealt. If it is not a natural, then depending on the value of each hand the casino dealer may instruct the card dealer to deal a third card. The decision when to deal a third card follows precise set rules used by all casinos.

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Once dealing is completed, the hand with the highest count wins. The paying casino dealers will collect the losing bets first and then pay the winning ones. The player who actually deals the cards is not responsible for the payouts. He is just like any other player, playing against the casino.

The rules

Baccarat is played from a **six-deck** or an **eight-deck shoe**. All face cards and 10s have no value. Cards less than 10 are counted at face value, **Aces** are worth 1. Suits don't matter. Only single digit values are valid. Any count that reaches a double digit drops the left digit. 15 is counted as 5 and 25 is also counted as 5.

To start, the players bet either on Banco or Punto or Standoff. The card dealer gives two cards each; first to the player and then the banker. The object of the game is to bet on the hand that you think will have the highest total value.

A third card may be dealt to either or both the player (Punto) and the bank (Banco) based on the following **three-card-rules**. It is not necessary to learn these rules to play, they are compulsory decisions and therefore automatic. Only on rare occasions a mistake is made:

Player's third-card-rule

- If either the player or the bank have a total of 8 or 9 on the first two cards no further cards are drawn. The resulting hand is called a natural and the hand is over.
- If the player's total is less than or equal to 5 the player's hand draws a third card.
- If the player does not draw a third card, then the bank's hand stands on 6 or more and takes a third card on a total of 5 or less. If the player does take a third card then the Bank's third-card-rule below will determine if the bank takes a third card.

Bank's third-card-rule

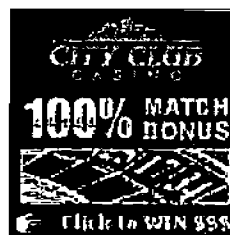
- If the bank's total is 2 or less then bank draws a card, regardless of what the players third card is.
- If the banks total is 3 then the bank draws a third card unless the players third card was an 8.
- If the banks total is 4 then the bank draws a third card unless the players third card was a 0, 1, 8, or 9.
- If the banks total is 5 then the bank draws a third card if the players third card was 4, 5, 6, or 7.
- If the banks total is 6 then the bank draws a third card if the players third card was a 6 or 7.
- If the banks total is 7 then the bank stands.

House advantage

Banker (Banco) 1.17%

Player (Punto) 1.36%

Tie (Standoff) 14.12% at 8:1 payout



[Horse racing](#)
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See [Chemin De Fer](#) - A brief description of the French version of Baccarat.

Great gambling site

Use the "Main Menu" on the right margin to explore this site. This is a comprehensive great gambling site with advice on winning, how to gamble, betting strategy, listing [the best online casinos](#) and world [land-based casinos directory](#).

Topics covered include game summary, rules, how to play, how to win, game strategy, [betting systems](#), gambling tips, on: Blackjack, Roulette, Poker classic and variants such as Texas Hold'em poker, Craps/Dice, Slots and Videopoker; Baccarat, Keno, Lottery, Powerball, Bingo, Sports betting, Horse racing and Greyhound racing.

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Gambling Guide il dado

Email: admin@ildado.com (Jack)

Return address: ildado.com

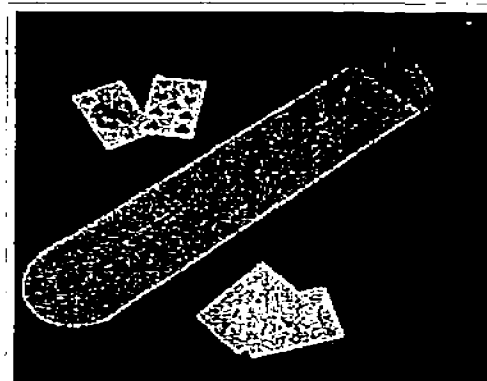
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Baccarat

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Baccarat^[1] is a card game, played at casinos and by gamblers. It is believed to have been introduced into France from Italy during the reign of King Charles VIII (ruled 1483–98), and it is similar to Faro and Basset. There are three popular variants of the game: *punto banco* (or "North American baccarat"), *baccarat chemin de fer*, and *baccarat banque* (or "*à deux tableaux*"). *Punto banco* is strictly a game of chance, with no skill or strategy involved; each player's moves are forced by the cards the player is dealt. In *baccarat chemin de fer* and *baccarat banque*, by contrast, both players can make choices, which allows skill to play a part.



Baccarat pallet and cards

Baccarat is a comparing card game played between two hands, the "player" and the "banker". Each baccarat coup has three possible outcomes: "player" (player has the higher score), "banker", and "tie".

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Valuation of hands

In Baccarat, cards 2–9 are worth face value, 10s and J, Q K are worth zero, and Aces are worth 1 point.

Hands are valued according to the rightmost digit of the sum of their constituent cards: for example, a hand consisting of 2 and 3 is worth 5, but a hand consisting of 6 and 7 is worth 3 (the rightmost digit of the total, 13).^[2] The highest possible hand value is 9. In the game, a "Baccarat" refers to anything with a value of zero; in a hand of K, 4 and 6, the King is a "Baccarat", and the hand value is also "Baccarat".

Varieties of Baccarat

Baccarat games were originally social and private gambling games, but now are played widely in casinos.

Punto banco

The overwhelming majority of casino baccarat games in the United States, United Kingdom, Canada, Australia, Sweden, Finland, and Macau, are "Punto banco" baccarat. In Punto banco, the casino banks the game at all times, and commits to playing out both hands according to fixed drawing rules, known as the "*tableau*" (French: "diagram"), in contrast to more historic Baccarat games where each hand is associated with an individual who makes drawing choices. Player ("*Punto*") and Banker ("*banco*") are simply designations for the two hands dealt out in each coup, two outcomes which the bettor can back; Player has no particular association with the customer, nor Banker with the house.

In some countries, this version of the game is known as "*tableau*".

Punto banco is dealt from a shoe containing 4, 6 or 8 decks of cards shuffled together. A cut-card is placed in front of the seventh-last card, and the drawing of the cut-card indicates the last coup of the shoe. For each coup, two cards are dealt face up to each hand, starting from "player" and alternating between the hands. The croupier may call the total (e.g. "Five Player, three Banker"). If either Player or Banker or both achieve a total of 8 or 9 at this stage, the coup is finished and the result is announced: Player win, a Banker win, or tie. If neither hand has eight or nine, the drawing rules are applied to determine whether Player should receive a third card. Then, based on the value of any card drawn to the player, the drawing rules are applied to determine whether the Banker should receive a third card. The coup is then finished, the outcome is announced and winning bets are paid out.

The tableau of drawing rules for punto banco

If neither the Player nor Banker is dealt a total of 8 or 9 in the first two cards (known as a "natural"), the tableau is consulted, first for Player's rule, then Banker's.

- **Player's rule:**

If Player has an initial total of 0–5, he draws a third card. If Player has an initial total of 6 or 7, he stands.

- **Banker's rule:**

If Player stood pat (i.e., has only two cards), the Banker regards only his own hand and acts according to the same rule as Player. That means Banker draws a third card with has 0–5 and stands with 6 or 7. If Player drew a third card, the Banker acts according to the following more complex rules:

- - If Player drew a 2 or 3, the Banker draws with 0–4, and stands with 5–7.

- If Player drew a 4 or 5, the Banker draws with 0–5, and stands with 6–7.
- If Player drew a 6 or 7, the Banker draws with 0–6, and stands with 7.
- If Player drew an 8, the Banker draws with 0–2, and stands with 3–7.
- If Player drew an ace, 9, 10, or face-card, the Banker draws with 0–3, and stands with 4–7. [3]

The croupier will deal the cards according to the tableau and the croupier will announce the winning hand: either Player or Banker. Losing bets will be collected and the winning bets will be paid according to the rules of the house. Usually, even money or 1–1 will be paid on Player bets and 95% to Banker bets (even money with "5% commission to the house").

Should both Banker and Player have the same value at the end of the deal the croupier shall announce "égalité— tie bets win." all tie bets will be paid at 8 to 1 odds and all bets on Player or Banker remain in place and active for the next game (the customer may or may not be able to retract these bets depending on casino rules).

Casino provision

In casinos in Las Vegas and Atlantic City, punto banco is usually played in special rooms separated from the main gaming floor, ostensibly to provide an extra measure of privacy and security because of the high stakes often involved. The game is frequented by very high rollers, who may wager tens or hundreds of thousands of dollars on a single hand. Minimum bets are relatively high, often starting at US\$25 and going as high as \$500. Posted maximum bets are often arranged to suit a player, but maximums of \$10,000 per hand are common. When it comes to online casinos, usually high roller baccarat games are played in separate rooms. A player that wants to play high roller baccarat online can do so only with an invitation which is not easily acquired. Most of the time the invitations are given to players that spend lots of time playing baccarat for real money. [4]

Because Baccarat attracts wealthy players, a casino may win or lose millions of dollars a night on the game, and the house's fortunes may significantly affect the owning corporation's quarterly profit and loss statement. Notations of the effects of major baccarat wins and losses are frequently found in the quarterly reports of publicly traded gaming companies.

The full-scale version of punto banco baccarat is played at a large rounded table, similar to *chemin de fer*. The table is staffed by a croupier, who directs the play of the game, and two dealers who calculate tax and collect and pay bets. Six or eight decks of cards are used, normally shuffled only by the croupier and dealers. The shoe is held by one of the players, who deals the cards on the instructions of the croupier according to the tableau. On a Player win, the shoe moves either to the highest winning bettor, or to the next person in clockwise order around the table, depending on the casino's conventions. The shoe may be refused or the croupier may be requested to deal. In smaller and lower-stakes games, the cards are often handled exclusively by casino staff.

Midi and mini punto

Smaller versions of the game are common in more modest settings. In midi punto, the table is only staffed by a single croupier and is generally smaller. In mini punto, the table is no larger than a standard blackjack table, and the cards are dealt by a croupier directly from a standard shoe. Table minimums/maximums are smaller.

Punto banco odds and strategy

Punto banco has both some of the lowest house edges among casino table games, and some of the highest. The Player bet has an attractively low house edge of 1.24%, and the Banker bet (despite the 5% commission) is even lower, at 1.06%. Both are just slightly better for Player than chances at single-zero roulette, and comparable to playing blackjack by intuition rather than correct strategy.^[5]

In contrast, the tie bet has a punishingly high house edge of 14.4%.^[6] Most casinos in the United Kingdom pay the tie at 9–1, resulting in a more lenient house edge of around 4% for the tie bet.

Despite having a low house edge, punto banco is not susceptible to advantage play, and despite the superficial similarities to blackjack, card counting is not profitable. In his 1984 analysis(Thorp 1984), Thorp concludes that:

[A]dvantages in baccarat are very small, they are very rare and the few that occur are nearly always in the last five to 20 cards in the pack.
—(Thorp 1984), p. 38

Nonetheless, many punto banco players record the coup results as the shoe progresses, laying them out using pen and paper according to traditional patterns such as "big road", "bead road", "big eye road", "small road" and "cockroach road", and making inferences about the result of the next coup by examining the layout. Recently casinos (particularly online casinos) have begun to display the coup results in the current shoe using audiovisual equipment.^[7] Despite the impossibility of altering winning chances by examining the result history of the shoe, the use of record cards in punto banco is pervasive in casinos across the world.

Super 6/Punto 2000

A variation of punto banco exists where even money is paid, rather than 95%, on winning Banker bets, except when Banker wins with 6, when a commission of 50% is taken. This game goes under various names including "Super 6", and "Punto 2000". The house edge on a Banker bet under Super 6 is 1.46%. As well as its increased house edge, the Super 6 variation is preferred by casinos for its speed, since it does away with the time-consuming process of calculating and collecting commission on winning Banker bets, and with the small-valued chips required for 5%-commission games.

Chemin de Fer

Chemin de fer was the original version of Baccarat when it was introduced to France and is still the version that is popular there. The name "Chemin de Fer" (way of iron) came about because the cards were placed in an iron box,^[8] and predates its modern French meaning of "railway".

Six decks of cards are used, shuffled together. Players are seated in random order, typically around an oval table; discarded cards go to the center. Play begins to the right of the croupier and continues counterclockwise. At the start of the game, the croupier and then all players shuffle the cards in play order. The croupier shuffles a final time and the player to his left cuts the deck.

Once play begins, one player is designated as the "banker". This player also deals. The other players are "punters". The position of banker passes counterclockwise in the course of the game. In each round, the banker wagers the amount he wants to risk. The other players, in order, then declare whether they will "go bank", playing against the entire current bank with a matching wager. Only one player may "go bank". If no one "goes bank", players make their wagers in order. If the total wagers from the players are

less than the bank, observing bystanders may also wager up to the amount of the bank. If the total wagers from the players are greater than the bank, the banker may choose to increase the bank to match; if he does not, the excess wagers are removed in reverse play order.

The banker deals four cards face down: two to himself and two held in common by the remaining players. The player with the highest individual wager (or first in play order if tied for highest wager) is selected to represent the group of non-banker players. The banker and player both look at their cards; if either has an eight or a nine, this is immediately announced and the hands are turned face-up and compared. If neither hand is an eight or nine, the player has a choice to accept or refuse a third card; if accepted, it is dealt face-up. Traditional practice (grounded in mathematics, similarly to basic strategy in blackjack, but further enforced via social sanctions by the other individuals whose money is at stake) dictates that one always accept a card if one's hand totals between 0 and 4 (inclusive) and always refuse a card if one's hand totals 6 or 7. After the player makes his decision, the banker in turn decides either to accept or to refuse another card. Once both the banker and the representative player have made their decision, the hands are turned face-up and compared.

If the player's hand exceeds the banker's hand when they are compared, each wagering player receives back their wager and a matching amount from the bank, and the position of banker passes to the next player in order. If the banker's hand exceeds the player's hand, all wagers are forfeit and placed into the bank, and the banker position does not change. If there is a tie, wagers remain as they are for the next hand.

If the banker wishes to withdraw, the new banker is first player in order willing to stake an amount equal to the current bank total. If no one is willing to stake this amount, the new banker is instead the next player in order, and the bank resets to whatever that player wishes to stake. Many games have a set minimum bank or wager amount.

Baccarat Banque

In Baccarat Chemin de Fer, it will have been noticed that a given bank only continues so long as the banker wins. As soon as he loses, it passes to another player. In Baccarat Banque the position of banker is much more permanent. Three packs of cards are shuffled together. (The number is not absolute, sometimes four packs, sometimes two only, being used; but three is the more usual number.)

^[*citation needed*] The banker (unless he retires either of his own free will or by reason of the exhaustion of his finances) holds office until all these cards have been dealt.

The bank is at the outset put up to auction, i.e. belongs to the player who will undertake to risk the largest amount. In some circles, the person who has first set down his name on the list of players has the right to hold the first bank, risking such amount as he may think proper.

The right to begin having been ascertained, the banker takes his place midway down one of the sides of an oval table, the croupier facing him, with the waste-basket between. On either side of the banker are the punters (ten such constituting a full table). Any other persons desiring to take part remain standing, and can only play in the event of the amount in the bank for the time being not being covered by the seated players.

The croupier, having shuffled the cards, hands them for the same purpose to the players to the right and left of him, the banker being entitled to shuffle them last, and to select the person by whom they shall be cut. Each punter having made his stake, the banker deals three cards, the first to the player on his right, the second to the player on his left, and the third to himself; then three more in like manner. The five punters on the right (and any bystanders staking with them) win or lose by the cards dealt to that side;

the five others by the cards dealt to the left side. The rules as to turning up with eight or nine, offering and accepting cards, and so on, are the same as at Baccarat Chemin de Fer.

Each punter continues to hold the cards for his side so long as he wins. If he loses, the next hand is dealt to the player next following him in rotation.

Any player may "go bank," the first claim to do so belonging to the punter immediately on the right of the banker; the next to the player on his left, and so on alternatively in regular order. If two players on opposite sides desire to "go bank," they go half shares.

A player going bank may either do so on a single hand, in the ordinary course, or a cheval, i.e. on two hands separately, one-half of the stake being played upon each hand. A player going bank and losing may, again go bank, and if he again loses, may go bank a third time, but not further.

A player undertaking to hold the bank must play out one hand, but may retire at anytime afterwards. On retiring, he is bound to state the amount with which he retires. It is then open to any other player (in order of rotation) to continue the bank, starting with the same amount, and dealing from the remainder of the pack, used by his predecessor. The outgoing banker takes the place previously occupied by his successor.

The breaking of the bank does not deprive the banker of the right to continue, provided that he has funds with which to replenish it, up to the agreed minimum.

Should the stakes of the punters exceed the amount for, the time being in the bank, the banker is not responsible for the amount of such excess. In the event of his losing, the croupier pays the punters in order of rotation, so far as the funds in the bank will extend; beyond this, they have no claim. The banker, may, however, in such a case, instead of resting on his right, declare the stakes accepted, forthwith putting up the needful funds to meet them. In such event the bank thenceforth becomes unlimited, and the banker must hold all stakes (to whatever amount) offered on any subsequent hand, or give up the bank.

The laws of baccarat are complicated and no one code is accepted as authoritative, the different clubs making their own rules.

Popular culture

The Royal Baccarat Scandal

The Tranby Croft affair in 1891 and disgraced socialite William Gordon Cumming's subsequent lawsuit, known together as the Royal Baccarat Scandal, inspired a huge amount of media interest in the game, bringing Baccarat to the attention of the public at large, with rules being published in newspaper accounts of the scandal.^[9] Popular culture was influenced enough that the scandal became the subject of music hall songs and a stage play.^[10]

A Hard Day's Night

In *A Hard Day's Night*, Paul's grandfather John, played by Wilfred Brambell, uses an invitation sent to Ringo to visit a posh new casino. He spends most of his time at the Baccarat table, where despite his unfamiliarity with the game (a joke involves him yelling "Bingo" and the croupier correcting him with the term "Banco"), he wins a tidy sum, which is then seized by the casino to pay off his exorbitant bar

bill.

James Bond 007

Baccarat *chemin-de-fer* is the favoured game of Ian Fleming's secret agent creation, James Bond.^[11] He is found playing the game in numerous novels—most notably 007's 1953 debut, *Casino Royale*, in which the entire plot revolves around a game between Bond and SMERSH operative Le Chiffre (the unabridged version of the novel includes a primer to the game for readers who are unfamiliar with it). It is also featured in several filmed versions of the novels, including *Dr. No*, where Bond is first introduced playing the game; *Thunderball*; the 1967 version of *Casino Royale* (which is the most detailed treatment of a baccarat game in any Bond film); *On Her Majesty's Secret Service*; *For Your Eyes Only*; and *GoldenEye*.

In the 2006 movie adaptation of *Casino Royale*, however, Baccarat is replaced by Texas hold 'em poker largely due to its great popularity at the time of filming.

Star Trek: Deep Space 9

The game is played in the season 4 episode "Our Man Bashir". A holodeck fantasy resembling a James Bond scenario malfunctions and the stakes become life and death for several characters. Julian Bashir must play baccarat in order to bribe the banker with his own money.

The Saint

In the 1968 episode "The Ex-King of Diamonds", Boris (Willoughby Goddard) attempts to win enough money to purchase missiles to mount a coup by gambling at Baccarat using cards marked with an infra-red dye that he can identify with a coloured monocle.

The game is also featured in the 1966 episode, "Interlude in Venice". Along with Roger Moore, the episode also stars James Bond alumni Lois Maxwell and Paul Stassino.

Warren Zevon

The Warren Zevon song "Mr. Bad Example" has him playing *chemin-de-fer* in Monte Carlo.

Rush Hour 3

In *Rush Hour 3*, Carter (Chris Tucker) joins a baccarat table trying to court Genevieve (Noemie Lenoir), but he doesn't know the rules of the game. He mistakenly believes that his hand of three Kings wins, while in reality, with the score being 0, it is the worst possible hand (for a punter). The scene takes place in France, so presumably, *chemin-de-fer* is being played.

Mission: Impossible

Season One, Episode 6 "Odds on Evil" (1966) Prince Iben Kostas plans to use his money to finance a war, however, the IMF plans to take his money, partly by cheating at Baccarat.

Pinky & The Brain

STATE OF CONNECTICUT, DEPARTMENT OF PUBLIC SAFETY -
 INVESTIGATION REPORT (DPS-683-E) (REVISED 2/3/06)

Report #: 1100692262 - 00022406

Report Type: Initial Report: Prosecutors Report: Supplement: Re-open: Assist: Closing:
 Attachments: Statements: Teletype: Photos: Sketchmap: Evidence: Other:

CFS NO. 1100692262	INCIDENT DATE 12/26/2011	TIME 19:02	INCIDENT DATE 12/26/2011	TIME 19:02	PRIMARY OFFICER ROBINSON, MICHAEL	BADGE NO 0903	INVESTIGATING OFFICER ROBINSON, MICHAEL	BADGE NO 0903
INCIDENT ADDRESS 00039 Norwich Westerly Rd Ledyard 06339								
APARTMENT NO			TOWN CD			BUREAU		
			T072			0903		

OFFENSE / INCIDENT TYPE	CHARGE	ATT/COMP	LOCATION			
ALL OTHER CASES REQUIRING A REPORT	99-20	Completed	Commercial/Office Building			
STATUS CODE C=COMPLAINANT V=VICTIM A=ARRESTEE J=JUVENILE M=MISSING W=WITNESS O=OFFENDER/ACCUSED T=TOT						
STATUS	NAME	SEX	RACE	D.O.B.	TELEPHONE	ADDRESS
W	Wang, Ming Hao	M	A	09/31/1984		14711 35TH Ave FLUSHING NY
W	Silu, Yong K	M	A	02/21/1981		144 44 Sanford Ave FLUSHING NY
W	Heish, Tony T	M	A	03/02/1963		209 Summit St Norwich CT
W	Lu, Dal	F	A	06/22/1971		119C Woodland St LUNCASVILLE CT
H	Ji, Zong Yang			10/25/1986		200 Guzhou Rd SHANGHAI CH
H	Sun, Cheung Yin			05/21/1968		
H	Fang, Long Mei			09/04/1961		208 Luzabin Rd SHANGHAI CH
C	Foxwoods Resort & Casino					

CLOSING REPORT

DATE/TIME: 12/26/2011 @ APPROX. 7:30 PM

LOCATION: FOXWOODS RESORT & CASINO

INCIDENT SUMMARY:

Senior Surveillance Investigator Jeff DeClerk initiated a complaint on behalf of the Casino in reference to allegations of cheating at a Baccarat table by three foreign Chinese Nationals.

INVESTIGATOR SIGNATURE: /TFC MICHAEL ROBINSON/		INVESTIGATOR I.D.#: 0903	REPORT DATE: 02/02/2012	SUPERVISOR SIGNATURE: /SGT WILLIAM J BOHONOWICZ/	SUPERVISOR I.D.#: 0192
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THE UNDERSIGNED, AN INVESTIGATOR HAVING BEEN DULY SWORN, DEPOSES AND SAYS THAT: I AM THE WRITER OF THE ATTACHED POLICE REPORT PERTAINING TO THIS INCIDENT NUMBER. THAT THE INFORMATION CONTAINED THEREIN WAS SECURED AS A RESULT OF (1) MY PERSONAL OBSERVATION AND KNOWLEDGE; OR (2) INFORMATION RELAYED TO ME BY OTHER MEMBERS OF MY POLICE DEPARTMENT OR OF ANOTHER POLICE DEPARTMENT; OR (3) INFORMATION SECURED BY MYSELF OR ANOTHER MEMBER OF A POLICE DEPARTMENT FROM THE PERSON OR PERSONS NAMED OR IDENTIFIED THEREIN, AS INDICATED IN THE ATTACHED REPORT. THAT THE REPORT IS AN ACCURATE STATEMENT OF THE INFORMATION SO RECEIVED BY ME.

**STATE OF CONNECTICUT, DEPARTMENT OF PUBLIC SAFETY-
INVESTIGATION REPORT (DPS-683-E) (REVISED 2/3/06)**



ACTION TAKEN:

During the initial investigation, it was discovered that the three Chinese Nationals won a substantial amount of money within a short period of time playing Baccarat. The game was played utilizing table rules pre-authorized by the Casino. The pre-authorized rules changed the specific rules of the game which action was a special agreement between the Casino and the Chinese Nationals.

Senior Surveillance Investigator Jeff DeClerk states that the action of the Chinese Nationals is illustrated from a known cheating scam within the game of Baccarat. Investigator DeClerk provided this Detective with supporting documentation dated November 9th, 2011 that explains how the cheating scam is accomplished.

I asked Investigator DeClerk if this gaming intelligence has been distributed to gaming personnel and/or has gaming personnel been trained on how to detect this published cheating scam. Investigator DeClerk advised that to date he believes there has been no training or distribution of the published document. Furthermore, to facilitate the known cheating scam, the offenders had to be aware of the specific card defect. Investigator DeClerk advised that the Casino does utilize the cards that have been documented to have the defect and the Casino has made no attempt to change the cards utilize or import a means of hiding the known defect from players action.

In summary, the Chinese Nationals requested pre-authorization to play Baccarat by specific rules other than the standard rules and the Casino agreed. That, the Casino was aware of the known card defect and continued utilizing the cards. That, Casino personnel were familiar with the known cheating scam and did not properly advise or train their personnel in detection of the known scam. Furthermore, the Casino entered into an agreement with the three Chinese Nationals in reference to a monetary amount to cover pre-authorized checks.

This case summary was reviewed by Detective John Patterson and the New London County State Attorney's Office was advised. Based on the civil agreement between the Chinese Nationals and the Casino, the changes in the Baccarat table procedures authorized by the Casino, and the known card defect that the Casino was aware

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INVESTIGATOR SIGNATURE: /TFC MICHAEL ROBINSON/	INVESTIGATOR I.D.#: 0903
SUPERVISOR SIGNATURE /SGT WILLIAM J BOHONOWICZ/	SUPERVISOR I.D.#: 0192
REPORT DATE: 02/02/2012	

STATE OF CONNECTICUT, DEPARTMENT OF PUBLIC SAFETY -
INVESTIGATION REPORT (DPS-683-E) (REVISED 2/3/06)



of and made no attempt to rectify, no criminal action will be taken.

Since the incident was reported, the Casino has made changes to protect the game of Baccarat from the known cheating scam. There is no further State Police action required in reference to this investigation.

CASE STATUS: CLOSED CLEARED (NO CRIMINAL ASPECT).

THE UNDERSIGNED, AN INVESTIGATOR HAVING BEEN DULY SWORN DEPOSES AND SAYS THAT: I AM THE WRITER OF THE ATTACHED POLICE REPORT PERTAINING TO THIS INCIDENT NUMBER. THAT THE INFORMATION CONTAINED THEREIN WAS SECURED AS A RESULT OF (1) MY PERSONAL OBSERVATION AND KNOWLEDGE; OR (2) INFORMATION RELAYED TO ME BY OTHER MEMBERS OF MY POLICE DEPARTMENT OR OF ANOTHER POLICE DEPARTMENT; OR (3) INFORMATION SECURED BY MYSELF OR ANOTHER MEMBER OF A POLICE DEPARTMENT FROM THE PERSON OR PERSONS NAMED OR IDENTIFIED THEREIN, AS INDICATED IN THE ATTACHED REPORT. THAT THE REPORT IS AN ACCURATE STATEMENT OF THE INFORMATION SO RECEIVED BY ME.			
INVESTIGATOR SIGNATURE: TFC MICHAEL ROBINSON	INVESTIGATOR I.D.#: 0803	REPORT DATE: 02/02/2012	SUPERVISOR SIGNATURE /SGT WILLIAM J BOHONOWICZ/
			SUPERVISOR I.D.#: 0192

ESCROW AGREEMENT

This Escrow Agreement is made as of the 28th day of December, 2011, the date of execution notwithstanding, by and between LONG MEI FANG, CHEUNG YIN SUN and ZONG YANG LI (collectively the "Patrons"), the MASHANTUCKET PEQUOT GAMING ENTERPRISE ("MPGE"), an instrumentality of the Mashantucket Pequot Tribal Nation, and MICHAEL E. DRISCOLL, Esquire of Brown Jacobson PC (the "Escrow Agent")

WHEREAS, the Patrons assert an ownership interest in and to certain gaming chips and plaques with a total face value of \$1,549,000.00 (the "Chips"); and

CS
FLM

WHEREAS, the Patrons claim they acquired an interest in the Chips in connection with certain gaming activities at MPGE; and

12Y

WHEREAS, MPGE claims, *inter alia*, the Patrons are not entitled to the Chips as a result of their conduct; and

MED

WHEREAS, the final decision regarding the ownership of the Chips rests with and is appropriately made by the Mashantucket Pequot Tribal Gaming Commission (the "Gaming Commission") which has regulatory authority over the gaming activities in question and therefore the ownership rights in and to the Chips; and

WHEREAS, prior to, or contemporaneously with the commencement of said gaming activities by the Patrons, the Patrons delivered certain cashiers' checks to MPGE in the total amount of \$1.6 million, which checks are more particularly described in Exhibit A and which checks have been deposited to the account of MPGE but have not yet been cleared by the issuing banks (collectively, the "Cashier Checks"); and

WHEREAS, the parties agree to place with and deliver to the Escrow Agent a portion of the Chips bearing a total face value of \$1,140,000.00 (the "Escrowed Chips") to be held by the Escrow Agent as a trustee for MPGE and the Patron in accordance with this Agreement pending a final decision of the Gaming Commission as to the rightful ownership of the Escrowed Chips; and

CS

WHEREAS, the Patrons acknowledge MPGE's right to offset the balance of the Chips bearing a face value of \$400,000.00 against markers currently outstanding to the Patrons in settlement of the same; and

FLM

12Y

WHEREAS, MPGE acknowledges that the escrow of the Escrowed Chips and the settlement of the said Markers with the balance of the Chips, all as hereafter set forth, entitles the Patrons to an immediate refund of the proceeds of the Cashier Checks in the amount of \$1.6 million provided that that amount has cleared and is in MPGE's account with no restrictions.

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THEREFORE, IT IS AGREED:

EXHIBIT D

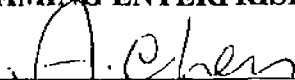
1. The parties shall cause the Escrowed Chips to be delivered to the Escrow Agent, c/o Brown Jacobson, P.C., 22 Courthouse Square, Norwich, Connecticut and the Escrow Agent agrees to hold the same as provided herein or as may otherwise be agreed in writing executed by MPGE and each of the Patrons. The Escrow Agent shall hold the Escrowed Chips in a safe deposit box maintained at the Peoples United Bank , 4 Broadway, Norwich, Connecticut in his name as trustee. All cost and expense of maintain such safe deposit box shall be borne equally by the parties as provided for in paragraph 9 hereof.
2. The parties shall cause to be delivered to MPGE the balance of the Chips bearing a face value of \$400,000 to satisfy the Patrons' markers. Once the Escrowed Chips have been delivered to the Escrow Agent and the balance of the Chips have been delivered to MPGE, MPGE shall cancel and terminate said markers as fully satisfied and discharged. MPGE and the Patrons shall thereafter be deemed to have waived and released any claim or cause of action arising out of or related to said markers.
3. The parties acknowledge and agree that the Gaming Commission has jurisdiction and authority over the matter at hand and, unless otherwise agreed in writing by MPGE and each of the Patrons, the Gaming Commission shall render a final decision regarding the ownership of the Escrowed Chips. MPGE and the Patrons shall timely commence and diligently pursue appropriate proceedings before the Gaming Commission and the Patrons and MPGE agree that they shall timely and diligently take all actions reasonably necessary to allow the Gaming Commission to act in an expeditious manner.
4. Upon a final and non-appealable decision of the Gaming Commission, the Escrow Agent shall release and deliver the Escrowed Chips pursuant to the terms of the Gaming Commission's decision.
5. In the event of any dispute arising under this Agreement other than the determination of ownership rights of the parties in and to the Escrowed Chips, the same being expressly reserved to the Gaming Commission as provided above, or in the event the Escrow Agent is unable, or deems himself unable or unwilling to continue as Escrow Agent as set forth herein, the patrons agree to the jurisdiction of the Mashantucket Pequot Tribal Court and service shall be sufficient if sent to them by registered mail at the following addresses:

Pyng Soon, Esq
17800 Castleton St.,
Ste 300
City of Industry, CA 91745
6. Upon the execution of this Agreement, and the delivery of the Chips as described above, and only upon confirmation that a check has cleared, is deposited in MPGE's account and confirmation that a check has fully cleared, and after the patrons have granted permission to their bank to discuss the status of the cashiers checks with MPGE in order to help with the above confirmations, then and only then, MPGE shall immediately wire any and all

portions of the Patron Checks for which MPGE has received good funds as follows: (i) in the case of funds relating to the \$1,000,000 Check, per the wire instructions attached hereto as Exhibit B and (ii) in the case of funds relating to either the \$300,000 Check A or \$300,000 Check B, per the wire instructions attached hereto as Exhibit C.

7. The MPGE and each of the Patrons acknowledge and agree that the obligations of the Escrow Agent hereunder are limited to the discharge of his duties hereunder in a commercially reasonable manner and within a commercially reasonable time. The same expressly waive any claim that the Escrow Agent owes the heightened duty of a trustee to each or any of them. MPGE and each of the Patrons do jointly and severally agree to defend and hold the Trustee harmless from any and all claims made by them or third parties provided the Trustee has acted in accordance with the terms of this Section 6.
8. This Agreement will be binding upon the successors and assigns of MPGE and upon the heirs, administrators, heirs and assigns of the Patrons.
9. The parties agree that they shall be responsible for a reasonable Trustee's fee in the amount of \$3,000 to be paid fifty-percent (50%) by MPGE and fifty-percent (50%) by the three Patrons.

**MASHANTUCKET PEQUOT
GAMING ENTERPRISE:**



By: Anne Chen
Title: Vice President of Asian Marketing

Date: 12/29/11

PATRONS:



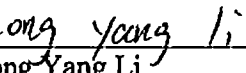
Long Mei Fang

Date: 12/29/11



Cheung Yin Sun

Date: 12/29/11



Zong Yang Li

Date: 12/29/11

MICHAEL DRISCOLL (Escrow Agent)



Date: Dec. 29, 2011

EXHIBIT A

Cashier's check #108443 in the amount of \$1,000,000.00 drawn from American Continental Bank (the "\$1 Million Check")

Cashier's check #6416 in the amount of \$300,000.00 drawn from Preferred Bank (the "\$300,000 Check A")

Cashier's check #6417 in the amount of \$300,000.00 drawn from Preferred Bank (the "\$300,000 Check B")

ExhibitB

Incoming Wire Instructions for East West Bank

Beneficiary Name : *JIANN PYNG SOON*
LAW OFFICES OF PYNG SOON INC
Beneficiary Account Number: *00 - 63878607*
Beneficiary Address : *19811 Colima Rd., Suite 600*
WALNUT, CA 91789
Bank Routing Number : 322070381
Bank Swift Code : EWBKUS66
Receiving Bank Name : East West Bank
Receiving Bank Address : 19756 E Colima Road #D
Rowland Heights, CA 91748

Note:

1. The beneficiary name and beneficiary account number must match for funds to be credited.
2. All Domestic wires for East West Bank should be wired to bank routing number:322070381
- 3. All International wires for East West Bank should be wired to Swift code:EWBKUS66

CS FLM 12y
MEP

Exhibit C

Incoming Wire Instructions for East West Bank

Beneficiary Name : *JIANN PYNG SOON*
: *LAW OFFICES OF PYNG SOON INC*
Beneficiary Account Number: *00-63878607*
Beneficiary Address : *19811 Colima Rd., Suite 600*
: *WALNUT, CA 91789*
Bank Routing Number : 322070381
Bank Swift Code : EWBKUS66
Receiving Bank Name : East West Bank
Receiving Bank Address : 19756 E Colima Road #D
Rowland Heights, CA 91748

Note:

1. The beneficiary name and beneficiary account number must match for funds to be credited.
2. All Domestic wires for East West Bank should be wired to bank routing number:322070381
- 3. All International wires for East West Bank should be wired to Swift code:EWBKUS66

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