



**COMMONWEALTH CASINO COMMISSION**  
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Juan M. Sablan, Chairman  
Joseph C. Reyes, Vice Chairman  
Ramon M. Dela Cruz, Secretary  
Alvaro A. Santos, Treasurer  
Diego M. Songao, Public Relations

## **COMMISSION ORDER NO: 2019-003**

### **Order Confirming Stipulated Agreement in DEI 18-0024-I (Executive Director v. Imperial Pacific International (CNMI), LLC)**

For good cause determined at the June 27, 2019 public meeting of the Commonwealth Casino Commission, which was duly publicly noticed, and based on the authority granted by the laws of the Commonwealth (including but not limited to Public Laws 18-56 and 19-24) and the Regulations of the Commonwealth Casino Commission ("Commission"), NMIAC Chapter 175-10.1, the Commission hereby finds and **ORDERS AS FOLLOWS**:

1. WHEREAS, Public Law 4 CMC §2314(b)(2) authorizes the Commission to promulgate regulations as may be necessary to properly supervise, monitor and investigate to ensure the suitability and compliance with the legal, statutory and contractual obligations of owners, operators, and employees of casinos; and
2. WHEREAS, based in part on the foregoing authority, the Commission enacted §175-10.1-560 of the CNMI Casino Regulations dealing with the minimum bankroll which the casino licensee must maintain. Pursuant to §175-10.1-560(a), the Commission may "adopt or revise a bankroll formula that specifies the minimum bankroll requirements applicable to the casino gaming licensee, along with instructions for computing available bankroll. The formula adopted by the Commission may require the licensee to maintain a number of days of cash on hand, utilize a debt-to service ratio, or utilize any other ratio the Commission deems fit"; and
3. WHEREAS, information came to the attention of employees of the Commission's Audit, Compliance, and Enforcement & Investigations Divisions that the casino licensee, Imperial Pacific International (CNMI), LLC ("IPI") may not be in continuous compliance with the applicable minimum bankroll requirement as ordered by the Commission; and
4. WHEREAS, Investigators of the Commission's Division of Enforcement & Investigations, in conjunction with employees of the Commission's Division of Audit, investigated and compiled evidence sufficient to lead them to believe that violations of the Commission's regulations, more specifically §175-10.1-560(a), did in fact occur; and
5. WHEREAS, As part of the investigation, enforcement, and resolution process, the Executive Director utilized the stipulation authority granted him by §175-10.1-2535(c) to stipulate the occurrence of offenses and applicable offense levels, to reach the stipulated agreement that was presented to the Commission in the June 27, 2019 regular meeting, and specifically conditioned on acceptance by the Commission;

6. WHEREAS, The Executive Director found, and the Commission recognizes, the massive effects of Super Typhoon Yutu as mitigation for the alleged offenses; and

7. WHEREAS, The Commission has considered the Stipulated Agreement, the positions of the parties, and the best interests of the people of the CNMI, and has determined, for reasons discussed at the public meeting held on June 27, 2019, that the interests of justice will best be served if the Stipulated Agreement is confirmed in its entirety; **NOW, THEREFORE,**

8. IT IS HEREBY ORDERED that the Stipulated Agreement presented to the Commission in the public meeting held on June 27, 2019, including all consideration of all kinds, including but not limited to all payments, duties, waivers, and forbearances, is confirmed in its entirety; and

9. IT IS HEREBY FURTHER ORDERED that the casino licensee, shall (if it has not yet done so) immediately tender the full settlement amount of Two Hundred Twenty Thousand Dollars (\$220,000.00) in check form to the Executive Director, who shall cause the check(s) to be deposited to the General Fund of the CNMI government without undue delay; and

10. IT IS HEREBY FURTHER ORDERED that the casino licensee, shall ensure that all minimum bankroll requirements are continuously met as required by applicable Commonwealth Regulation and Commission Order; and

11. IT IS HEREBY FURTHER ORDERED that the casino licensee, shall ensure that all Casino Key Employees with responsibility for compliance with applicable laws and regulations are retrained and certify that they understand the requirements of applicable federal and Commonwealth of the Northern Mariana Islands ("CNMI") laws and the Commission Regulations generally, and specifically those concerning minimum bankroll requirements. IPI shall provide to the Executive Director documentation of such retraining and certificate of understanding on or before July 1, 2019; and

12. IT IS HEREBY FURTHER ORDERED that the Chairman or the Executive Director shall take steps necessary to ensure that this Order is published in the Commonwealth Register without reasonable delay; and

13. IT IS HEREBY FURTHER ORDERED that this Order is to take effect immediately or at the earliest time allowed by law, and shall remain in effect until it is repealed or replaced by subsequent Order of the Commission.

SO ORDERED this 27<sup>th</sup> day of June, 2019.

Signature: \_\_\_\_\_

  
JUAN M. SABLAN  
CHAIRMAN