

The Hard Rock Hotel & Casino in Las Vegas has agreed to pay \$650,000 to settle a complaint from state gambling

regulators that security guards and VIP hosts sold cocaine and ecstasy to patrons and let them use private nightclub bathrooms for sex and drugs.

The hotel agreed Wednesday to pay the settlement without admitting or denying allegations, avoiding a hearing before Nevada regulators who have the power to revoke the casino's gambling license. The hotel acknowledged in the Nevada Gaming Control Board settlement that regulators could have proved their case at a regulatory hearing.

Joseph Magliarditi, the hotel's chief executive, said in a statement that the hotel takes the issues seriously and has made changes to address and resolve them.

"We remain committed to conducting our operations in accordance with all gaming regulatory requirements," he said.

The complaint does not name the employees, but detailed seven undercover operations in which hosts and security guards sold police officers and state agents ecstasy pills and varying amounts of cocaine, and made promises they could get "anything" desired.

The investigations centered around the now-closed Body English nightclub and Vanity, a nightclub built in the Hard Rock's newest HRH tower.

The complaint said in one instance in November 2009, an undercover police officer paid \$80 to a security guard to let him smoke marijuana in a bathroom, and the guard told him to let him smoke some next time.

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Written by Administrator

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The complaint also said undercover agents were able to buy cocaine five times, and a host once brokered the sale of 7.2 grams to an officer in the resort's parking lot in exchange for a kickback.

The complaint does not name any employees.

In an e-mail, Hard Rock spokeswoman Jessie Pound said all the employees included in the complaint were fired and the hotel instituted a random drug test policy for all workers. The hotel also eliminated its nightlife group and brought in Angel Management Group to manage its nightclub operations, she said.

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