

**ORDER 2010-117
IN RE SETTLEMENT AGREEMENT
INDIANA GAMING COMPANY, L.P.
10-HW-02**

After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

Approves
APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 17th DAY OF JUNE, 2010.

THE INDIANA GAMING COMMISSION:


Timothy Murphy, Chair

ATTEST:


Thomas Swihart, Vice Chair

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
INDIANA GAMING COMPANY, L.P.)	10-HW-02
)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Indiana Gaming Company, L.P. (“Hollywood”) (collectively, the “Parties”), desire to settle this matter prior to the initiation of a disciplinary proceeding pursuant to 68 IAC 13-1-18(a). The Parties stipulate and agree that the following facts are true:

FINDINGS OF FACT

COUNT I

1. 68 IAC 2-3-9.2 (b) states riverboat licensees must advise the enforcement agent, on a form prescribed or approved by the commission, when one (1) of the following events occurs with an occupational licensee: (1) The occupational licensee’s employment with the riverboat licensee is terminated for any reason. The form must be submitted to the enforcement agent within fifteen (15) days of the occurrence of the change or action.
2. On December 15, 2009, a Gaming Agent received termination paperwork from the Human Resource Department for two employees. The employees were terminated on November 11, 2009 and November 18, 2009.
3. On January 6, 2010, a Gaming Agent received termination paperwork from the Human Resources Department for two employees. One employee was terminated on March 27, 2009 and the other on July 9, 2009.

COUNT II

4. Pursuant to IC 4-33-9-12 and 68 IAC 1-11-1(c), a person who is less than twenty-one (21) years of age may not be present in the area of a riverboat where gambling is being conducted.

5. On December 28, 2009, January 31, 2010 and February 24, 2010 a Gaming Agent was informed of an underage person on the casino floor. On all three dates the underage person's identification was checked at the turnstiles and they were allowed to enter the casino.

COUNT III

6. 68 IAC 14-3-2(b) states that all playing cards must meet the following specifications: (1) all decks of cards must be a complete standard deck of fifty-two cards in four suits. The four suits shall be hearts, diamonds, clubs and spades. Each suit shall consist of numerical cards from: (A) two to ten; (B) a jack; (C) a queen; (D) a king; and (E) an ace.
7. On January 2, 2010, a face card from a Blackjack table was found on the casino floor. Review of the surveillance footage showed the card being ejected out of the shuffler. Approximately twenty seven hands were dealt before the card was found.
8. On January 16, 2010, a card was found on the casino floor near a Blackjack table. The Agent reviewed the surveillance coverage and noted that the card, a six of spades, was knocked off the Blackjack table by the Dealer when collecting the cards. The cards were in play for over three hours before the card was noticed by a patron.
9. On February 14, 2010, a card was missing from the poker room for approximately thirty minutes. Upon review of the surveillance coverage, the Agent noted that the Dealer dealt a card to a patron that slid past the patron and under the railing. When the patron pointed out that he had only one card, the Dealer declared the hand a misdeal and collected all the cards. He placed the deck into the shuffler, at which time, the red light started to blink indicating something was wrong with the deck. The Dealer reshuffled the deck in the shuffler several more times with the red light blinking each time. The Dealer then took the deck (with the missing card) and dealt the deck seven times; each time the deck was placed in the shuffler the red light would flash. When a new Dealer took over, he noticed the red light, counted down the cards and discovered that a card was missing. The Dealer who dealt the defective deck received a written warning.
10. On February 15, 2010, a Gaming Agent was notified that an ace of hearts was missing from a Blackjack table for approximately fifteen hours of play. The review of the surveillance footage revealed that the Floor Supervisor, while opening the first deck, removed the ace of hearts off the bottom of the deck, tore it in half and placed it in the box with other non essential cards (Jokers and distributor advertisements). The Floor Supervisor proceeded to sort through the deck and then give the deck to the Dealer, who inspected the cards. Neither one noted the missing ace and both were disciplined.

COUNT IV

11. 68 IAC 15-4-3(6) states during non-gaming hours all chips shall be stored and locked in the casino cages, main bank vault, or lockable trays at the live gaming tables.
12. On November 28, 2009, a Gaming Agent and the Gaming Supervisor were walking down the hall in the lower level of the casino when they noticed the door to the Poker Room Storage was standing open. The Agent and Supervisor walked into the room and observed that no one was inside. The room is used for the storage of tournament chips. A review of the surveillance coverage determined that the door was left open by a Poker Dealer/Supervisor for approximately ninety minutes.

COUNT V

13. On December 12, 2009, the Assistant Director of Compliance sent an email to the Gaming Supervisor requesting an investigation into a complaint received by the Commission. The complaint alleged that a Hollywood Casino employee was saturating a monthly drawing event by providing family and friends with entry cards into the event. The monthly drawing event was a promotional drawing held for previous winners of slot jackpots of \$1,200 or more and/or winners of other cash drawings from the previous or current month. An investigation found that the patrons were given the entry cards to fill out and return on the date of the drawing, to drop the entry cards into the drum prior to the drawing. At the time of the investigation, the casino did not have a system in place to ensure the eligibility of a patron. The investigating Agent discovered that the entry cards were also given out to appease disgruntled patrons. Once informed of this issue the casino committed to putting new procedures into place. The casino employees would be required to fill out the entry cards including information that named the marketing event won or the jackpot amount won. The VP of Marketing also stated that databases would be needed to verify eligibility into the promotion.
14. After the new procedures were in place, a Gaming Agent observed the January drawing. The Agent found that the casino failed to follow the new procedures that were put in place.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Hollywood by and through its agents as described herein constitute a breach of IC 4-33, 68 IAC and/or Hollywood's approved internal control procedures. The Commission and Hollywood hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Hollywood. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.


Hollywood shall pay to the Commission \$70,000(\$8,000 for Count I; \$21,000 for Count II; \$30,000 for Count III; \$3,000 for Count IV and \$8,000 for Count V) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this agreement. This agreement extends only to those violations and findings of fact, specifically alleged herein. If the Commission subsequently discovers facts that give rise to additional or separate violations, which are not described herein, the Commission may pursue disciplinary action for such violations even if the subsequent violations are similar or related to an incident described herein.

Upon execution and approval of this Settlement Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Settlement Agreement by the Commission, Hollywood agrees to promptly remit payment in the amount of \$70,000 and shall waive all rights to further administrative or judicial review.

This Settlement Agreement constitutes the entire agreement between the parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Settlement Agreement. This Settlement Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.


This Settlement Agreement shall be binding upon the Commission and Hollywood.

IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date and year as set forth below.



Ernest E. Yelton, Executive Director
Indiana Gaming Commission

6-16-10
Date



Tony Rodio, General Manager
Indiana Gaming Company, L.P.

6-8-10
Date