

ORDER 2012-47
IN RE SETTLEMENT AGREEMENT
BLUE CHIP CASINO, LLC
12-BC-01

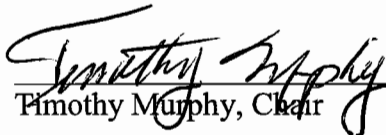
After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

Approves
APPROVES OR DISAPPROVES

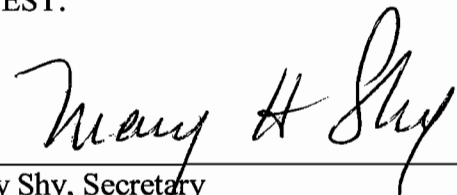
the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 15th DAY OF MARCH, 2012.

THE INDIANA GAMING COMMISSION:


Timothy Murphy, Chair

ATTEST:


Mary Shy, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
BLUE CHIP CASINO, LLC)	12-BC-01
)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Blue Chip Casino, LLC (“Blue Chip”) (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 forms must be submitted to the enforcement agent within fifteen (15) days of the occurrence of the change or action.
2. On September 7, 2011, a Gaming Agent was processing an Occupational License Separation from Service Form that had been submitted on September 7th. The separation date listed on the form was July 29, 2011. The employee had notified her Supervisor that she intended to quit and return to Military Duty prior to her last work date of July 29, 2011.

COUNT II

3. 68 IAC 2-6-18(a) states the internal space of an electronic gaming device must not be readily accessible when the door is closed.
4. 68 IAC 11-3-5(5) states the designated currency collection team member shall collect the live gaming device drop boxes and the bill validator drop boxes.
5. 68 IAC 11-1-6(b) states failure to comply with approved internal control procedures may result in the initiation of a disciplinary action. According to Blue Chip’s Internal Controls, L4.4, it states that once the area is secure, the drop team

members will remove the bill validator box from the slot machine compartment and place the empty bill validator box in the drop compartment.

6. On September 23, 2011, a Gaming Agent was notified by a Lead Surveillance Agent that a slot machine had not been dropped. The Gaming Agent then reviewed surveillance coverage of the incident, verifying that the machine was not dropped and the door to the machine was left open. The door to the machine was left open for approximately 4 minutes before being closed by a Slot Tech.

COUNT III

7. 68 IAC 2-6-17(a) states a light must be installed on the top of the electronic gaming device that automatically illuminates when the door to the electronic gaming device is opened or associated equipment that may affect the operation of the electronic gaming device is exposed.
8. On October 14, 2011, a Gaming Agent was observing the slot machine drop when he noticed that the candle light on 17 slot machines did not illuminate when the belly door was open. The following day, the Gaming Agent decided to observe the drop again and discovered that 16 additional slot machines had the same issue with the candle light not illuminating when the belly door was open. Over the past month, the Gaming Agent has notified the casino of more than 60 EGD's that were not illuminating when the belly door is opened.

COUNT IV

9. 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.
10. 68 IAC 14-3-2 (b)(2) states the backs of each card in a deck must be identical and no card shall contain any marking, symbol or design that will enable a person to know the identity of any element printed on the face of the card or that will differentiate the back of that card from any other card in the deck.
11. 68 IAC 11-1-6(b) states failure to comply with approved internal control procedures may result in the initiation of a disciplinary action. According to Blue Chip's Internal Controls, P-9.19, states a defective deck is one that has two identical cards or any cards of a different colored back.
12. On October 18, 2011, a Gaming Agent was notified by a Surveillance Supervisor that a Dealer in the Poker Room had intermixed two brown cards into a green

deck of cards. Surveillance coverage shows that the Dealer fails to collect two cards (brown deck) from the player who won the pot and proceeds to place the incomplete brown deck in the automatic shuffler. The Dealer then collects the final two cards from the player, inter-mingles them with the green deck and deals the green deck to the players at the table. During the course of the hand, the shuffler's red light flashed but the Dealer did not stop the hand. Upon completion of that hand, a new Dealer taps in, continues to ignore the flashing red light on the shuffler and deals the brown deck containing 50 cards. The Dealer proceeds to deal another defective deck of cards before being alerted by a patron at the table about the light flashing on the shuffler. At this point, he stops the action at the table to address the cause of the red light illumination.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Blue Chip by and through its agents as described herein constitute a breach of the Riverboat Gambling Act, Title 68 of the Indiana Administrative Code and/or Blue Chip's approved internal control procedures. The Commission and Blue Chip hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Blue Chip. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.


Blue Chip shall pay to the Commission a settlement of \$15,000 (\$2,000 for Count I; \$3,000 for Count II; \$5,000 for Count III and \$5,000 for Count IV) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in 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, Blue Chip agrees to promptly remit payment in the amount of \$15,000 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.

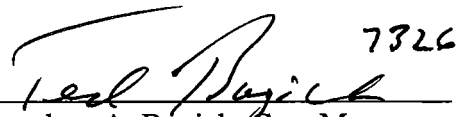
This Settlement Agreement shall be binding upon the Commission and Blue Chip.

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
3.5.12

Date



Theodore A. Bogich, Gen. Mgr
Blue Chip Casino, LLC
2/16/12

Date