

**ORDER 2013-058
IN RE SETTLEMENT AGREEMENT
HORSESHOE HAMMOND, LLC
13-HH-01**

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

APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.


IT IS SO ORDERED THIS THE 21st DAY OF MARCH, 2013.

THE INDIANA GAMING COMMISSION:



Matt Bell, Chair

ATTEST:



Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
) **SETTLEMENT**
HORSESHOE HAMMOND, LLC) **13-HH-01**
)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Horseshoe Hammond, LLC (“Horseshoe”) (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. 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.
2. On September 28, 2012, a Gaming Agent was notified by a Security Supervisor that an underage person had entered the casino. The two-year old had been allowed to enter through the turnstile with his mother. Neither one was stopped by the two Security Officers at the turnstile.

COUNT II

3. 68 IAC 2-3-8(a) states an occupational license must be renewed annually.
4. On August 28, 2012, a Gaming Agent, while entering employee annual renewals, noticed that an Entertainment Tech, had a form filled out. When the Agent looked the employee up in the Commission’s OCCLIC system he found the employee was terminated September 19, 2011. The Agent then checked the employee’s file and found the termination, but no paperwork indicating the employee had been rehired. The Agent contacted a Human Resources Rep to see if the employee was listed as an active employee. The Human Resources Rep informed the Agent that the employee was terminated in 2011 for failure to renew his gaming license. She further informed the Agent that she spoke with the Entertainment Tech Supervisor and was told that the employee had been working periodically, getting a vendor’s badge each time. The Supervisor also stated that

the employee had lost his badge and turned in a lost badge form. The Agent was unable to locate the form in the employee's file.

COUNT III

5. 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.
6. 68 IAC 2-3-9(d) states occupational licensees must notify the commission that a riverboat licensee, a supplier licensee, or an occupational licensee has violated the Act or this title as soon as the occupational licensee becomes aware of the violation. If an occupational licensee fails to notify the commission of a violation of the Act or this title by a riverboat licensee, a supplier licensee, or an occupational licensee, the commission may initiate a disciplinary action.
7. On August 10, 2012, a Gaming Agent was notified by a Security Manager of a defective deck of cards. The cards had been used at a Poker table on gaming day August 9, 2012. The Agent reviewed surveillance footage which showed the Dealer and Floor Supervisor inspected the fronts and backs of both decks of cards. The defect was noticed when a patron was dealt two Queen of Spades. The deck of cards had been in play for over 8 hours. When discovered the deck was removed and all remaining decks were checked for defects. Two Poker Supervisors and a Poker Shift Manager were aware of the defect at approximately 7:17pm on gaming day August 9, 2012; however, Security and the Gaming Agents were not told until approximately 6:10pm on gaming day August 10, 2012.

COUNT IV

8. 68 IAC 2-2-6.1(b) states an employee, independent contractor, agent, or subagent of a supplier licensee shall obtain a Level 2 occupational license under 68 IAC 2-3 if the executive director or the executive director's designee determines it is necessary.
9. 68 IAC 2-3-9.2(d) states riverboat licensees must collect the identification badge issued by the commission to an occupational licensee when the occupational licensee's employment with the riverboat licensee is terminated for any reason. All identification badges collected by the riverboat licensee must be turned over to an enforcement agent within seven (7) days.

10. On October 9, 2012 a Gaming Agent was processing employee annual renewal forms and noted the name of an EVS employee. When the Agent entered the name he found the employee had been terminated on January 30, 2012. The employee was currently working at the casino, but there was no re-instatement form in his file. The Agent questioned a HR Representative and was informed that the employee had been terminated, but the EVS Vendor Company that the casino now uses had included this employee in the mass transition from the EVS positions to vendor positions. When the transition took place the employees of the EVS Vendor Company were given information packets to take to the Gaming Agents to receive vendor badges. The employee did not have the packet in his folder and was not processed as a vendor, receiving a vendor badge. The employee had been working on the casino floor for nine months using an expired casino badge.

COUNT V

11. 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:
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.
12. On October 22, 2012 the Licensing Coordinator received three employee terminations. One employee's termination date was March 17, 2012, another was August 2, 2012 and the last one was September 26, 2012.

TERMS AND CONDITIONS

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

Horseshoe shall pay to the Commission a settlement of \$15,500 (\$4,500 for Count I; \$2,000 for Count II; \$2,000 for Count III; \$2,000 for Count IV and \$5,000 for Count V) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this agreement. Neither this agreement nor any action performed pursuant to it will constitute an admission of any violation by Horseshoe. This agreement extends only to known incidents specifically alleged in this

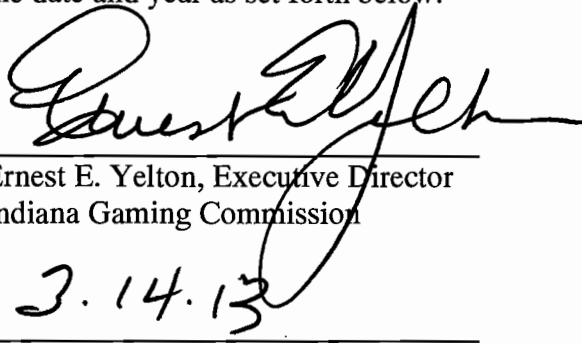
agreement and wholly based on the facts described herein. If the Commission subsequently discovers additional facts, which are not described in this agreement, that may support an independent determination that a violation has occurred, the Commission may pursue disciplinary action for such violations even if the facts are 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, Horseshoe agrees to promptly remit payment in the amount of \$15,500 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 Horseshoe.


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

Date

3.14.13



Dan Nita, General Manager
Horseshoe Hammond, LLC

Date

3/4/13