

**ORDER 2020-135
IN RE SETTLEMENT AGREEMENT**

**CAESARS RIVERBOAT CASINO, LLC d/b/a CAESARS SOUTHERN INDIANA
20-CS-02**

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 23rd DAY OF NOVEMBER, 2020.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
CAESARS RIVERBOAT CASINO, LLC)	20-CS-02
d/b/a CAESARS SOUTHERN INDIANA)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Caesars Riverboat Casino, LLC d/b/a Caesars Southern Indiana (“Caesars Southern Indiana”), (collectively, the “Parties”) desire to enter into this settlement agreement (“Agreement”) 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. IC 4-38-11-1 provides that (a) the bureau shall provide information to a certificate holder concerning persons who are delinquent in child support.
 - (b) Prior to a certificate holder disbursing a payout of six hundred dollars (\$600) or more, in winnings, from sports wagering to a person who is delinquent in child support and who is claiming the winning sports wager in person at the certificate holder's facility, the certificate holder:
 - (1) may deduct and retain an administrative fee in the amount of the lesser of:
 - (A) three percent (3%) of the amount of delinquent child support withheld under subdivision (2)(A); or
 - (B) one hundred dollars (\$100); and
 - (2) shall:
 - (A) withhold the amount of delinquent child support owed from winnings;
 - (B) transmit to the bureau:
 - (i) the amount withheld for delinquent child support; and
 - (ii) identifying information, including the full name, address, and Social Security number of the obligor and the child support case identifier, the date and amount of the payment, and the name and location of the licensed owner, operating agent, or trustee; and
 - (C) issue the obligor a receipt in a form prescribed by the bureau with the total amount withheld for delinquent child support and the administrative fee.
 - (c) The bureau shall notify the obligor at the address provided by the certificate holder that the bureau intends to offset the obligor's delinquent child support with the winnings.
 - (d) The bureau shall hold the amount withheld from the winnings of an obligor for ten (10) business days before applying the amount as payment to the obligor's delinquent child support.

(e) The delinquent child support required to be withheld under this section and an administrative fee described under subsection (b)(1) have priority over any secured or unsecured claim on winnings except claims for federal or state taxes that are required to be withheld under federal or state law.

2. Chapter 5, Section 2(2)(W) of the Emergency Rules for Sports Wagering provides that prior to beginning sports wagering operations, a sports wagering operator must submit for approval under 68 IAC 11 internal controls for withholding winnings from delinquent child support obligors in accordance with IC 4-38-11, including a plan for complying with IC 4-38-11 if the sports wagering operator allows the redemption of tickets via mail.
3. 68 IAC 11-9-2(a) provides that the casino licensee or trustee shall submit to the executive director internal control procedures concerning the withholding of cash winnings from delinquent obligors in accordance with 68 IAC 11-1.
4. 68 IAC 11-1-3(c)(4) provides that no casino licensee or casino license applicant may use an internal control procedure unless the internal control procedure has been approved, in writing, by the executive director.
5. Caesars Southern Indiana's approved internal control procedures, E-33 and S-22, describe its procedures for Child Support Intercept Process.
6. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (CSADR) for January 2020. The results of this audit found two (2) individuals were not searched through the CSADR system at the time sports wagering winnings in excess of \$600 was won.
7. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (CSADR) for February 2020. The results of this audit found three (3) individuals were not searched through the CSADR system: one (1) at the time a taxable jackpot was won and two (2) at the time sports wagering winnings in excess of \$600 was won.
8. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (CSADR) for March 2020. The results of this audit found two (2) individuals were not searched through the CSADR system at the time a taxable jackpot was won.
9. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (CSADR) for June 2020. The results of this audit found one (1) individual was not searched through the CSADR system at the time a taxable jackpot was won.
10. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (CSADR) for July 2020. The results of this audit found three (3) individuals were not searched through the CSADR system at the time a taxable jackpot was won.

11. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (CSADR) for August 2020. The results of this audit found three (3) individuals were not searched through the CSADR system: two (2) at the time a taxable jackpot was won and one (1) at the time sports wagering winnings in excess of \$600 was won.

COUNT II

12. 68 IAC 15-2-5 provides the casino licensee shall establish policies and procedures for the notification of surveillance prior to completing a currency transaction report. The procedures shall include, at a minimum, the following:
 - (1) The window cashier, pit boss, table games shift manager, or table games manager must notify surveillance.
 - (2) Surveillance shall take a photograph of the patron from the surveillance camera.
 - (3) Prior to the completion of the transaction, surveillance shall notify the window cashier, pit boss, table games shift manager, or table games manager that it has an acceptable photograph.
13. On February 1, 2020, Surveillance notified Gaming Agents that a Slot Supervisor failed to request a photo of a patron that had reached the currency transaction reporting level prior to the completion of the transaction. There was 3.5 hours between the transaction and when surveillance was contacted.
14. On February 2, 2020, Surveillance notified Gaming Agents that a Cage Cashier failed to request a photo of a patron that had reached the currency transaction reporting level prior to the completion of the transaction.
15. On February 8, 2020, Surveillance notified Gaming Agents that a Slot Supervisor failed to request a photo of a patron that had reached the currency transaction reporting level prior to the completion of the transaction. There was 3.5 hours between the transaction and when surveillance was contacted.
16. On February 8, 2020, Surveillance notified Gaming Agents that a Slot Supervisor failed to request a photo of a patron that had reached the currency transaction reporting level prior to the completion of the transaction on two (2) separate occasions. There was approximately four (4) hours between the transaction and when surveillance was contacted on the first occurrence and approximately 3.75 hours on the second occurrence.
17. On February 10, 2020, Surveillance notified Gaming Agents that a Floor Supervisor failed to request a photo of a patron that had reached the currency transaction reporting level prior to the completion of the transaction.
18. On February 11, 2020, Surveillance notified Gaming Agents that a Cage Supervisor failed to request a photo of a patron that had reached the currency transaction reporting level prior to the completion of the transaction.

19. On February 12, 2020, Surveillance notified Gaming Agents that a Slot Supervisor failed to request a photo of a patron that had reached the currency transaction reporting level prior to the completion of the transaction. There was approximately six (6) hours between the transaction and when surveillance was contacted.
20. On February 14, 2020, Surveillance notified Gaming Agents that a Cage Cashier failed to request a photo of a patron that had reached the currency transaction reporting level prior to the completion of the transaction.
21. On February 14, 2020, Surveillance notified Gaming Agents that a Cage Cashier failed to request a photo of a patron that had reached the currency transaction reporting level prior to the completion of the transaction.
22. On February 12, 2020, Surveillance notified Gaming Agents that a Cage Supervisor failed to request a photo of a patron that had reached the currency transaction reporting level prior to the completion of the transaction. There was approximately four (4) hours between the transaction and when surveillance was contacted.
23. On February 23, 2020, Surveillance notified Gaming Agents that a Cage Supervisor failed to request a photo of a patron that had reached the currency transaction reporting level prior to the completion of the transaction. There was approximately 3.75 hours between the transaction and when surveillance was contacted.
24. On February 25, 2020, Surveillance notified Gaming Agents that a Cage Cashier failed to request a photo of a patron that had reached the currency transaction reporting level prior to the completion of the transaction.
25. On March 14, 2020, Surveillance notified Gaming Agents that a Cage Cashier failed to request a photo of a patron that had reached the currency transaction reporting level prior to the completion of the transaction.
26. On July 9, 2020, Surveillance notified Gaming Agents that a Cage Cashier failed to request a photo of a patron that had reached the currency transaction reporting level prior to the completion of the transaction.

COUNT III

27. 68 IAC 2-3-9.2(b) provides 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.
28. On February 25, 2020, Gaming Agents became aware that a Security Officer had last worked on December 28, 2019. Termination paperwork had not been submitted to the Commission as required.

COUNT IV

29. IC 4-33-9-12(a) provides 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.
30. 68 IAC 1-11-1(c) provides a person under twenty-one (21) years of age shall not be present in a casino.
31. On February 15, 2020, Surveillance notified Gaming Agents that three (3) underage children had gained access to the casino floor with their parents. The children ages ranged from six (6) to ten (10). Security allowed their entry onto the casino floor.
32. On June 27, 2020, Surveillance notified Gaming Agents that an underage person had gained access to the casino floor. The underage person presented their identification to Security. Security ran the identification through the Veridox scanner and allowed the underage person to enter the casino. There were two (2) lines of patrons and Security had a scanner for each line. The Security Officer did not notice the alert on the underage person because the Security Officer was looking at the other monitor for the other scanner.
33. On September 1, 2020, Security notified Gaming Agents that an underage person had gained access to the casino floor. The underage person presented his Mexican Passport which clearly noted his date of birth. The Security Officer allowed the underage person to enter the casino.

COUNT V

34. 68 IAC 11-1-3(c)(4) provides that no casino licensee or casino license applicant may use an internal control procedure unless the internal control procedure has been approved, in writing, by the executive director.
35. 68 IAC 13-1-1(b)(2) and (3) provides the Commission may initiate an investigation or a disciplinary action, or both, against a licensee if the Commission has reason to believe the licensee is not complying with licensure conditions or is not complying with this Act or this title.
36. Caesars Southern Indiana's approved internal control procedures, S-1, describe the procedures for a sports wagering system failure.
37. On September 14, 2020, another Caesars property notified Gaming Agents of a potential issue with three (3) NFL games that were played on September 13, 2020 and were still showing as pending. Gaming Agents reached out to the Sportsbook and Poker Manager to determine why the wagers were not cleared. The Sportsbook and Poker Manager advised that the games had been graded wrong in the system and had to

be hand paid. Each ticket that was hand paid had an exception report attached to it and would be adjusted.

The Gaming Agent reviewed the tickets with the Sportsbook and Poker Manager. During this review, the Gaming Agent requested to see the hand pay log. The Sportsbook and Poker Manager was unaware of the hand pay log. The Gaming Agent advised that the hand pay log was required per their internal controls. There were thirty-nine (39) wagers affected that should have been logged.

COUNT VI

38. IC 4-38-5-4(a) provides a certificate holder or vendor may accept wagers on professional and collegiate sporting events approved for sports wagering by the commission, and other events as approved by the commission. A certificate holder or vendor may use data selected in a manner approved by the commission to determine whether a wager is a winning wager.
39. Chapter 7, Section 1(a) of the Emergency Rules for Sports Wagering provide before accepting wagers on any event category from patrons, a sports wagering operator must receive event category approval from the executive director or the executive director's designee. The sports wagering operator shall provide notice to the executive director or the executive director's designee and such notice shall include the name of the sports governing body and a description of its policies and procedures regarding event integrity. The commission reserves the right to prohibit the acceptance of any wagers, and may order the cancellation of wagers and require refunds on any event for which wagering would be contrary to the public policies of the state.
(b) The commission will post approved event categories to its website.
40. On August 8, 2020, Gaming Agents conducted an audit of the Sportsbook offerings for March and July 2020. While conducting the audit, it was determined in July that wagers had been placed for the Chinese Taipei Baseball League. The Chinese Taipei Baseball League was not a Commission approved event category. Thirty-five (35) wagers were placed between July 29th and August 8th.
41. On August 17, 2020, the Commission's Sports Wagering Investigator notified Gaming Agents that NYX Digital, the platform provider for Caesars, added Chinese Taipei Baseball League on April 8, 2020 when it was approved in New Jersey.

COUNT VII

42. 68 IAC 6-1-1 provides an excluded person is prohibited from entering gaming areas and a casino licensee or operating agent must evict any excluded person from its gaming area if the casino licensee or operating agent knows or reasonably should know that the person is an excluded person.

43. Caesars Southern Indiana's approved internal control procedures, K-6, describe the procedures for prohibited guests.
44. On January 9, 2020, a Gaming Agent audited the statewide exclusion list. It was determined that eight (8) statewide excluded persons were not flagged.

COUNT VIII

45. 68 IAC 11-1-3(c)(4) provides that no casino licensee or casino license applicant may use an internal control procedure unless the internal control procedure has been approved, in writing, by the executive director.
46. 68 IAC 13-1-1(b)(2) and (3) provides the Commission may initiate an investigation or a disciplinary action, or both, against a licensee if the Commission has reason to believe the licensee is not complying with licensure conditions or is not complying with this Act or this title.
47. On May 14, 2020, the Commission issued Health and Safety Guidelines for the Reopening of Casino Operations. The guidelines provide that casino plans should extensively detail the appropriate disinfecting procedures to be utilized for cards, chips and dice.
48. Caesars Southern Indiana's approved internal control procedures, C-25 & G-34, describe the Covid-19 procedures and provide that surveillance shall be notified prior to beginning the chip cleaning process.
49. On June 21, 2020, Surveillance notified Gaming Agents that table games personnel failed to notify surveillance prior to beginning the chip cleaning process.
50. On June 25, 2020, Surveillance notified Gaming Agents that table games personnel failed to notify surveillance prior to beginning the chip cleaning process.
51. On June 25, 2020, Surveillance notified Gaming Agents that a Cage Cashier failed to notify surveillance prior to beginning the chip cleaning process.
52. On July 4, 2020, Surveillance notified Gaming Agents that a Cage Cashier failed to notify surveillance prior to beginning the chip cleaning process on two (2) occasions.
53. On July 12, 2020, Surveillance notified Gaming Agents that a Cage Cashier failed to notify surveillance prior to beginning the chip cleaning process.
54. On August 30, 2020, Surveillance notified Gaming Agents that table games personnel failed to notify surveillance prior to beginning the chip cleaning process.

55. 68 IAC 11-1-3(c)(4) provides that no casino licensee or casino license applicant may use an internal control procedure unless the internal control procedure has been approved, in writing, by the executive director.
56. 68 IAC 13-1-1(b)(2) and (3) provides the Commission may initiate an investigation or a disciplinary action, or both, against a licensee if the Commission has reason to believe the licensee is not complying with licensure conditions or is not complying with this Act or this title.
57. Caesars Southern Indiana's approved internal control procedures, M-12, describe the procedures for chip replenishment.
58. On February 23, 2020, Surveillance notified Gaming Agents that a Security Officer failed to notify surveillance of an even exchange for the Poker Room in the amount of \$52,785.

COUNT IX

59. 68 IAC 14-7-4(a) & (b) provide before the initial use of the roulette wheel at a roulette table, the wheel shall be inspected and balanced by or in the presence of a gaming agent using a balancing level. Before opening a roulette table for gaming activity each gaming day, the pit boss or equivalent shall inspect the roulette table and roulette wheel to ensure compliance with this rule.
60. On July 24, 2020, Gaming Agents began an investigation into whether the roulette wheel had been inspected during the past three (3) days.
61. On July 20, 2020, a Gaming Agent attempted to inspect Roulette wheels with the Table Game Supervisor but he was short staffed due to Covid call offs and asked the Gaming Agent to come back. At the conclusion of the Agent's shift, the Roulette wheels had not been inspected and he advised the oncoming shift. During the investigation, it was discovered that the roulette wheels were not inspected on July 19, 2020, July 20, 2020 and July 22, 2020. Only two (2) of the five (5) roulette tables had play on these days.
62. 68 IAC 11-4-4(a) provides at any time when a live gaming device is closed, chips remaining at the live gaming device shall be counted by the appropriate level of occupational licensee assigned to the live gaming device and verified by the pit boss or the equivalent.
 - (b) A live gaming device inventory slip shall be prepared.
 - (c) The occupational licensee and the pit boss or the equivalent who observed the count of the contents of the tray shall sign the inventory slip at the time of closing the live gaming device attesting to the accuracy of the information recorded.
 - (d) The occupational licensee shall immediately deposit the closer in the drop box.
 - (e) The pit boss or the equivalent shall place the opener on the live gaming device tray in a manner that the amounts on the opener may be read through the cover, and lock the transparent live gaming device tray lid in place.

63. On August 25, 2020, Surveillance notified Gaming Agents that there was a violation on a table closer inventory form. The form noted \$4,000 in black \$100 chips. The physical inventory was actually \$4,400 in black \$100 chips.
64. On August 30, 2020, Surveillance notified Gaming Agents that there was a violation on a table closer inventory form. The form noted \$28,175.50, however, the physical inventory was actually \$4,400 in black \$100 chips.
65. On September 7, 2020, Surveillance notified Gaming Agents that there was a violation on a table closer inventory form. The form noted \$21,500 in \$500 purple chips, however, the physical inventory was actually \$30,935.
66. 68 IAC 15-12-3(a)(3) provides surveillance shall be notified that a live gaming device fill is being processed.
67. On February 11, 2020, Surveillance notified Gaming Agents that two (2) table fills were issued without notifying surveillance. One (1) fill was for \$32,100 and the other fill was for \$26,600.
68. On August 30, 2020, Surveillance notified Gaming Agents that a table fill was issued without notifying surveillance. The fill was for \$13,420.
69. 68 IAC 14-3-2(a) provides all playing cards utilized by a riverboat licensee or a riverboat license applicant must comply with this rule.
 - (b) All playing cards must meet the following specifications:
 - (1) Unless otherwise provided in this article, all decks of cards must be one (1) complete standard deck of fifty-two (52) cards in four (4) suits. The four (4) suits shall be hearts, diamonds, clubs, and spades. Each suit shall consist of numerical cards from:
 - (A) two (2) to ten (10);
 - (B) a jack;
 - (C) a queen;
 - (D) a king; and
 - (E) an ace.
70. On March 6, 2020, Surveillance notified Gaming Agents of an issue with playing cards in the Poker Room. A Poker Dealer attempted to use a shuffler when the shuffled demonstrated a red light indicating a malfunction. Two (2) red-backed playing cards were found in the shuffler. Further investigation determined that eight (8) Dealers failed to verify the deck of playing cards. Seven (7) Dealers dealt the incomplete red deck of playing cards.
71. 68 IAC 11-7-1(b) provides for the purposes of this rule, "sensitive keys" means keys that either management or the commission considers sensitive to the casino licensee's operation and therefore require strict control over custody and issuance.

71. 68 IAC 11-7-3(b) provides that sensitive keys shall be returned to custody and signed in by the same occupational licensee they were issued to unless there is a documented change of shift.
72. On July 12, 2020, Surveillance notified Gaming Agents that a set of sensitive keys had been removed from the property. The sensitive keys were for the table games pit podium and table float covers.
73. On July 11, 2020 at 7:42 an overdue alarm email notification went out to Security due to the overdue keys, however, Security did not take any action until July 12th at 8:30. The keys were ultimately returned by the Table Games Supervisor but had been off property for twenty-three (23) hours.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Caesars Southern Indiana by and through its agents as described herein constitute a breach of IC 4-33, IC 4-38, 68 IAC, the Emergency Rules for Sports Wagering, and/or Caesars Southern Indiana's approved internal control procedures. The Commission and Caesars Southern Indiana hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Caesars Southern Indiana.

Caesars Southern Indiana shall pay to the Commission a total of \$48,000 (\$14,000 for Count I, \$5,000 for Count II, \$1,000 for Count III, \$7,500 for Count IV, \$2,500 for Count V, \$500 for Count VI, \$4,000 for Count VII, \$4,000 for Count VIII and \$9,500 for Count IX) 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 in the findings above. If the Commission subsequently discovers facts that give rise to additional or separate violations, the Commission may pursue disciplinary action for such violations even if the subsequent violations are similar or related to an incident described in the findings above.

Upon execution and approval of this Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, Caesars Southern Indiana agrees to promptly remit payment in the amount of \$48,000 and shall waive all rights to further administrative or judicial review.

This 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 Agreement. This Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile, or other electronic signature by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically as if the original had been received.

This Agreement shall be binding upon the Commission and Caesars Southern Indiana.

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

Sara Gonso Tait, Executive Director
Indiana Gaming Commission



Bradley Seigel, Senior VP & GM
Caesars Riverboat Casino, LLC

Date

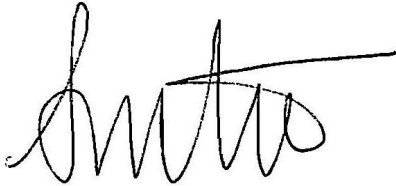
11-10-20

Date

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Sara Gonso Tait, Executive Director
Indiana Gaming Commission

11/20/20

Date

Bradley Seigel, Senior VP & GM
Caesars Riverboat Casino, LLC

Date