

**ORDER 2021-160
IN RE SETTLEMENT AGREEMENT**

**CAESARS RIVERBOAT CASINO, LLC
d/b/a CAESARS SOUTHERN INDIANA
21-CS-03**

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

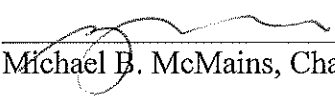
APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

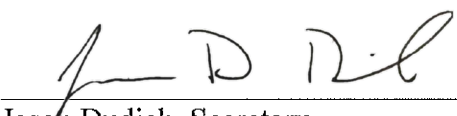
IT IS SO ORDERED THIS THE 29th DAY OF SEPTEMBER, 2021.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Jason Dudich, Secretary

unsecured claim on winnings except claims for federal or state taxes that are required to be withheld under federal or state law.

2. 68 IAC 27-5-2(2)(X) provides 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 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 approved internal control procedures, E-33 and S-22, describe the procedures for Child Support Intercept Process (“CSADR”).
6. Gaming Agents conducted an audit of the CSADR for May 2021. The results of this audit found three (3) individuals were not searched through the CSADR system at the time a taxable jackpot was won.
7. Gaming Agents conducted an audit of the CSADR for June 2021. The results of this audit found one (1) individual was not searched through the CSADR system at the time a taxable jackpot was won.

COUNT II

8. 68 IAC 11-3-6(b)(1) provides that the soft count team shall notify surveillance prior to the initiation of the soft count. Surveillance shall visually record the entire soft count process.
9. Caesars Southern Indiana’s approved internal control procedures, D-10, describe the bill validator soft count procedures.
10. On April 11, 2021, Surveillance notified Gaming Agents that a Count Room Representative failed to notify Surveillance prior to beginning the count process.
11. 68 IAC 11-3-1(3)(B) provides for electronic gaming devices (“EGDs”), the currency collection team shall collect and replace drop boxes in accordance with the casino licensee’s approved internal controls.
12. Caesars Southern Indiana’s approved internal control procedures, D-8, describe the drop process.

13. On August 10, 2021, Surveillance notified Gaming Agents that a Count Team Member began dropping EGDs prior to Surveillance clearing the process to begin.

COUNT III

14. 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.
15. 68 IAC 1-11-1(c) provides a person under twenty-one (21) years of age shall not be present in a casino.
16. On April 24, 2021, Surveillance notified Gaming Agents that a young male patron was on the casino floor and believed the patron may be underage. Security did not require the male patron to place his identification in the card reader at the Security podium. A review of surveillance coverage confirmed that Security at the casino entrance did not request identification from the male patron. Gaming Agents approached the male patron and confirmed that he was underage and sixteen (16) years old.

COUNT IV

17. 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.
18. 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.
19. On April 29, 2021, Surveillance notified Gaming Agents that a NRT sensitive key was taken off property by a Cage Cashier following her shift. The keys were off property for approximately two (2) hours and thirteen (13) minutes.
20. On June 1, 2021, Surveillance notified Gaming Agents that a Security sensitive key was taken off property by a Security Officer following his shift on May 30, 2021. The key set contained a Bill Validator ("BV") release key and a cart key. The BV release key is for EGDs and BV boxes and the cart key is for the cart used for emergency drops and poker room escorts. The keys were off property for approximately forty-five (45) minutes.

COUNT V

21. 68 IAC 2-6-33 provides (a) a progressive jackpot that is currently in play may be transferred to other progressive electronic gaming devices in the casino in the event of:
- (1) electronic gaming device malfunction;
 - (2) electronic gaming device replacement; and
 - (3) another good reason deemed appropriate by the executive director or the commission to ensure compliance with IC 4-33, IC 4-35, and this title.

(b) If the events set forth in subsection (a) do not occur, the progressive award must be permitted to remain until it is won by a player or transfer is approved by the executive director.

22. On November 30, 2009, the Commission issued a memorandum which provided that if a casino wishes to transfer the progressive amount to another progressive on the casino floor, the casino must post signs thirty (30) days prior to moving the progressive informing the public that the progressive EGDs will be shut down. The incremental amount must then be transferred to a progressive with a similar denomination and the casino may retain the seed amount.
22. On July 23, 2021, the Commission became aware of progressive EGD funds that had not been allocated to EGDs since Caesars Southern Indiana moved to its land-based facility in December 2019. There was no history or tracking of the progressive funds when the old riverboat EGDs were moved or sold. Those monies went into a progressive money pool pending placement of the new EGDs at the new casino floor. With these funds being in a progressive money pool rather than allocated to EGDs, these funds were not on the floor; thus, patrons did not have the opportunity to win these funds.
23. The Commission did not become aware of the progressive money pool until May/June 2021 when the Slot Performance Supervisor initiated a request to move funds from the progressive money pool to EGDs on the casino floor. The progressive money pool had accumulated approximately \$391,000.
24. Gaming Agents met with the Accounting Supervisor and the Regulatory Compliance Manager to gain a better understanding about the progressive money. The Regulatory Compliance Manager provided that nearly four hundred (400) EGDs were moved during the 2019 transition. In the interim period, Caesars Southern Indiana determined that these progressive monies should be placed in a newly created progressive money pool pending distribution to the casino floor. Caesars Southern Indiana acknowledged that this distribution was stalled by the covid-19 pandemic and the fact that a large number of EGDs were shut down due to the covid-19 physical distancing requirements. The Accounting Supervisor advised that they accounted for the progressive monies through the daily reconciliation and the slot data system.
25. Caesars Southern Indiana did not have an effective plan in place for the land transition for the progressive funds and did not ensure these funds were on the casino floor for patrons to win. Additionally, Caesars Southern Indiana did not seek Commission approval to create a progressive money pool for EGD progressive funds.

COUNT VI

26. 68 IAC 11-4-4 provides (a) 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.

27. On May 7, 2021, a table inventory closer violation occurred. The form noted \$50 more than the amount on the table. The Supervisor did not sign the closer.
28. On May 8, 2021, a table inventory closer violation occurred. The form noted \$37,761 in chips. The physical inventory was actually \$38,261 in chips.
29. On May 17, 2021, a table inventory closer violation occurred. The form noted \$18,500 in purple \$500 in chips. The physical inventory was actually \$19,000 in purple \$500 chips.
30. On May 30, 2021, a table inventory closer violation occurred. A Floor Supervisor and Dealer did not drop a closer form for a table game prior to the drop team collecting the drop box.
31. On June 4, 2021, a table inventory closer violation occurred. The form noted \$57.50 in pink \$2.50 in chips. The physical inventory was actually \$107.50 in pink \$2.50 in chips.
32. On June 8, 2021, a table inventory closer violation occurred. The form noted \$1,975 in green \$25 chips. The physical inventory was actually \$2,475 in green \$25 chips.
33. On June 26, 2021, a table inventory closer violation occurred. The form noted \$22,500 in purple \$500 chips. The physical inventory was actually \$12,500 in purple \$500 chips.
34. On June 21, 2021, a table inventory closer violation occurred. The form noted \$482,437 in chips. The physical inventory was actually \$476,437 in chips.
35. On July 9, 2021, a table inventory closer violation occurred. The form noted \$177 more than the amount on the table.
36. On June 19, 2021, a table inventory closer violation occurred. The form noted \$4,700 in black \$100 chips. The physical inventory was actually \$4,900 in black \$100 chips.
37. On July 11, 2021, a table inventory closer violation occurred. The form noted \$1,575 in green \$25 chips. The physical inventory was actually \$2,075 in green \$25 chips.
38. On July 27, 2021, a table inventory closer violation occurred. The form noted \$2,845 in red \$5 chips. The physical inventory was actually \$2,345 in red \$5 chips.

39. On August 23, 2021, a table inventory closer violation occurred. The form noted \$23,000 in purple \$500 chips. The physical inventory was actually \$25,000 in purple \$500 chips.

COUNT VII

40. 68 IAC 15-12-3(a) provides the requirements for live gaming device fills including the requirement that surveillance shall be notified that a live gaming device fill is being processed.
41. On July 17, 2021, Surveillance notified Gaming Agents of a table fill violation on July 15, 2021. Two (2) table fills were being completed at the same time. One (1) table fill was for a blackjack table while the other table fill was for a Crazy Four Poker table. The fill was delivered to the wrong table and accepted at that table.

COUNT VIII

42. 68 IAC 2-2-6.1(b) provides 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. In making that determination, the executive director or the executive director's designee shall consider the: (1) frequency and duration of the individual's work in a casino or access to devices or systems that relate to the conduct or integrity of gaming; and (2) tasks that the individual will perform as part of the individual's job duties in a casino or while accessing devices or systems that relate to the conduct or integrity of gaming.
43. 68 IAC 15-6-4(b) provides vendors and visitors must report to security to complete the vendor and visitor log and to obtain a badge. When the vendor or visitor leaves the casino, the vendor or visitor must complete the appropriate portion of the log.
44. 68 IAC 15-6-4(e) provides the vendor and visitor log shall contain the following information:
- (1) The name of the vendor or visitor.
 - (2) The company or organization the vendor or visitor represents.
 - (3) The date and time the vendor or visitor entered the casino.
 - (4) The purpose that necessitates the vendor or visitor entering the casino.
 - (5) The date and time that the vendor or visitor exits the casino. The casino licensee is responsible for instituting a policy that ensures that vendor and visitor badges are returned to the security department and accounted for when the vendor or visitor exits the casino.
 - (6) If the person is a visitor, the individual who authorized the visitor's presence in the casino.
 - (7) Any other information deemed necessary by the executive director or the commission to ensure compliance with IC 4-33, IC 4-35, and this title.
45. On January 24, 2019, the Commission issued a memorandum to all casino licensees on occupational licenses and the usage of the vendor log which states vendor and visitor badges are not to be utilized by those who hold or should hold an individual license. If

individuals referenced above attempt to access the gaming floor using a vendor or visitor badge, casino staff should assist in the matter by refusing entry and directing the individuals to local Gaming Agents for assistance.

46. A Gaming Agent performed an audit of the vendor log for May 2021 at Caesars Southern Indiana. This audit found that a Burrough's Technician serviced ATM's and NRT's on the casino floor on May 26, 2021, without an occupational license. Burrough's employees are required to obtain an occupational license through NRT, a licensed supplier with the Commission.
47. It was determined that the Burrough's Technician performed services on a vendor badge on the following dates: September 20, 2019, February 8, 2020, June 24, 2020, June 29, 2020, January 11, 2021, January 22, 2021, February 22, 2021, March 20, 2021, March 22, 2021, April 1, 2021, April 4, 2021, April 17, 2021, April 19, 2021, and May 26, 2021.
48. The Gaming Agent Supervisor at Caesars Southern Indiana advised the Burrough's Field Tech in question in 2019 that he needed to be licensed by the Commission to work on the casino floor. Email correspondence with the Gaming Agent Assistant Supervisor at French Lick Resort Casino determined that she had also notified this same individual that he needed to be licensed with the Commission to perform job duties on the casino floor. However, the Burrough's Field Tech still has not been licensed and continues to perform work at the Indiana casinos.
49. On March 13, 2019, the Gaming Agent Supervisor notified the Director of Security and a Security Manager at Caesars Southern Indiana that the Burrough's Technician was not allowed to be on property until he was licensed by the Commission.

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, 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 \$49,500 (\$4,000 for Count I, \$2,000 for Count II, \$3,000 for Count III, \$3,000 for Count IV, \$7,500 for Count V, \$7,500 for Count VI¹, \$1,500 for Count VII and \$21,000 for Count VIII) 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

¹ This amount was capped at \$7,500 due to Caesars Southern Indiana's submission of a corrective action plan. By capping this amount, the Commission in no way surrenders its right to fine Caesars Southern Indiana for similar violations in the future and has no obligation to cap future violations. This cap shall in no way be construed as a waiver of any future violations.

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.

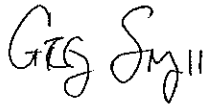
Upon execution and approval of this Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, Caesars Southern Indiana agrees to promptly remit payment in the amount of \$49,500 and shall waive all rights to 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.

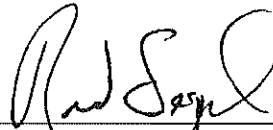
IN WITNESS WHEREOF, the Parties have signed this Agreement on the date and year as set forth below



Greg Small, Executive Director
Indiana Gaming Commission

9/28/21

Date



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

9-22-21

Date