

**ORDER 2021-174
IN RE SETTLEMENT AGREEMENT**

**CENTAUR ACQUISITION, LLC
d/b/a WINNER'S CIRCLE OFF TRACK
BETTING, CLARKSVILLE
21-OTB-CV-03**

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

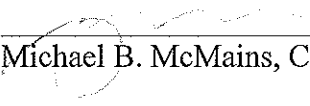
APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

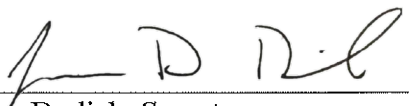
IT IS SO ORDERED THIS THE 29th DAY OF SEPTEMBER, 2021.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

| | | |
|--|---|---------------------|
| IN RE THE MATTER OF: |) | |
| |) | SETTLEMENT |
| CENTAUR ACQUISITION, LLC |) | 21-OTB-CV-03 |
| d/b/a WINNER'S CIRCLE OFF TRACK |) | |
| BETTING, CLARKSVILLE |) | |

SETTLEMENT AGREEMENT

The Indiana Gaming Commission ("Commission") by and through its Executive Director Greg Small and Centaur Acquisition, LLC d/b/a Winner's Circle Off Track Betting, Clarksville ("OTB Clarksville"), (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 (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. 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. OTB Clarksville's approved internal control procedures, A-18, describe the procedures for the Child Support Intercept Process.
6. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry ("CSADR") for April 2021. The results of this audit found one (1) individual was 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 -CSADR for May 2021. The results of this audit found one (1) individual was not searched through the CSADR system at the time sports wagering winnings in excess of \$600 was won.

COUNT II

8. IC 4-38-5-3(a) provides that a person who is less than twenty-one (21) years of age may not be present in an area where sports wagering is being conducted.
9. On August 19, 2021, a Gaming Agent Investigator received an email from the General Manager containing an incident report authored by an OTB Supervisor. The email just stated FYI. The report detailed a minor violation.
10. On August 19, 2021, Security allowed a female patron to enter OTB Clarksville with an infant. A review of surveillance coverage confirmed that a patron entered the sports side of OTB Clarksville with a baby carrier carrying an infant.

COUNT III

11. 68 IAC 27-7-9 provides wagers and payouts made under this document shall be subject to the requirements described in 68 IAC 15-2.
12. 68 IAC 15-2-3(a), (b) & (c)(8) provides that the casino licensee shall be required to maintain a log for the purpose of recording aggregated cash transactions in excess of three thousand dollars (\$3,000). The casino licensee shall require coordination between the pits, slots, cashiers, cages, redemption centers, and other appropriate areas to ensure all transactions in excess of three thousand dollars (\$3,000) are recorded. The employee witnessing the transaction is responsible for completing the log. The log shall include a photograph of the patron to be taken during the first transaction of the day involving that patron.
13. OTB Clarksville's approved internal control procedures, A-23, describe the procedure for Title 31 compliance and include the procedures for multiple transaction logs ("MTL").
14. On June 7, 2021, an OTB Supervisor notified Surveillance that a Race Sportsbook Ticket Writer failed to request an MTL photo for a patron for a transaction of \$3,000.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of the OTB Clarksville by and through its agents as described herein constitute a breach of IC 4-35, IC 4-38, 68 IAC and/or OTB Clarksville's approved internal control procedures. The Commission and OTB Clarksville hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against OTB Clarksville.

OTB Clarksville shall pay to the Commission a total of \$6,000 (\$2,000 for Count I, \$1,500 for Count II and \$2,500 for Count III) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in the Findings 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.

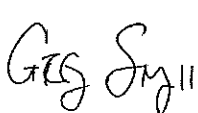
Upon execution and approval of this Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, OTB Clarksville agrees to promptly remit payment in the amount of \$6,000 and waive all rights to further administrative 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 OTB Clarksville.

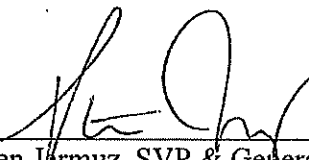
IN WITNESS WHEREOF, the Parties have signed this Agreement on the date and year as set forth below



Greg Small, Executive Director
Indiana Gaming Commission

9/28/21

Date



Steven Jarmuz, SVP & General Manager
Centaur Acquisition, LLC

9/22/21

Date