

**ORDER 2022-211  
IN RE SETTLEMENT AGREEMENT**

**AMERISTAR CASINO EAST CHICAGO, LLC  
22-AS-04**

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

**APPROVED**

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APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS THE 15<sup>th</sup> DAY OF DECEMBER 2022.**

**THE INDIANA GAMING COMMISSION:**



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Milton O. Thompson, Chair

ATTEST:



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Jason Dudich, Secretary

STATE OF INDIANA  
INDIANA GAMING COMMISSION

IN RE THE MATTER OF:	)	
	)	SETTLEMENT
AMERISTAR CASINO EAST	)	22-AS-04
CHICAGO, LLC	)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission ("Commission") by and through its Executive Director Greg Small and Ameristar Casino East Chicago, LLC ("Ameristar"), (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. 68 IAC 2-6-6(c) provides the requirements for converting an electronic gaming device.
2. 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.
3. 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.
4. 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.
5. Ameristar's approved internal control procedures, C-18, describe the procedures for the Child Intercept Process.
6. 68 IAC 15-13-3 provides if a manually paid jackpot exceeds one thousand two hundred dollars (\$1,200), the casino licensee shall complete and file the forms required by the Internal Revenue Service.
7. Ameristar's approved internal control procedures, C-12.1, describe EGD Payout Procedures and Generation.
8. On July 19, 2022, a Slot Technician notified Gaming Agents that an electronic gaming device ("EGD") failed to lock up when the EGD hit a taxable jackpot. The Slot

Technician advised that the EGD was set incorrectly which caused the EGD to allow credits to exceed the \$1,199.99 threshold. The Slot Technician also advised the Gaming Agent that the max credit on an EGD is usually set up as cash value of \$1,199.99, however, some of the older EGD's are set up in credits and the Slot Technician believed that this was what most likely happened on this EGD.

9. It was determined that this EGD was set to 11999. Since this was a \$.50 EGD, the jackpot would only lock up for a jackpot at a cash value of \$5,999.50. The Gaming Agent questioned how this was caught if the limit was set to \$5,999.50. The Slot Technician advised that the ticket was caught when a patron attempted to cash out a TITO ticket valued over the \$1,200 ticket threshold at the cage. It was at this time that Cage personnel brought it to the Slot Technician's attention. The Gaming Agent advised the Slot Technician to fix the EGD's settings.
10. The Gaming Agent subsequently spoke with the Casino Operations Shift Manager ("COSM") about this issue. The COSM provided that they would handle this jackpot manually since it was a taxable jackpot. The COSM also identified that they would do a review to determine if this was an isolated incident.
11. On July 22, 2022, Gaming Agents received the results of the review of this EGD. The review indicated that on July 18, 2022, a \$3,019 TITO ticket was cashed out at the Cage with a Cage Supervisor override. The Cage never contacted anyone in the Slot Department about the ticket. The email correspondence provided that the cash value went from \$18.00 to \$2,039, indicating a possible taxable jackpot exceeding \$1,199.99. The \$2,039 valued ticket then rose to \$3,019 in two (2) minutes which is unlikely to have exceeded the \$1,199.99 threshold.
12. The review also indicated, on November 21, 2021, a patron inserted \$20 into the EGD, played five (5) games and cashed out for \$2,021, indicating a possible jackpot exceeding \$1,199.99.
13. The Gaming Agent further inquired with the Casino Operations Technician about the cause of the incorrect settings. During November 22, 2021 and December 6, 2021, Ameristar performed updates on the EGD's on the casino floor and several technicians performed work on this project. The update performed allowed the EGD's to be set at a credit limit of \$2,999.99 which would allow for non-jackpot (smaller EGD wins that do not exceed \$1,999.99) credits to exceed \$1,199.99. The Casino Operations Technician advised that this type of mistake normally happens on a \$.25 or \$.50 EGD because some of the EGD's are set in dollars and some are set in credits. A sweep was performed of all the \$.25 and \$.50 EGD's and the EGD in question was the only EGD with the incorrect settings. It is unknown who is at fault for the incorrect setting.
14. For the \$3,019 TITO ticket, there is no way to know for sure what the actual winning taxable jackpot amount was. When the patron presented the ticket at the Cage, an Assistant Shift Manager overrode the TITO ticket in the system. According to player tracking, the patron played at the EGD for seven (7) minutes.

15. For the \$2,021 TITO ticket, the patron placed \$5 into the EGD, played for six (6) minutes and won a combined \$2,006. The ticket was redeemed by a Cage Cashier and overridden in the system by a Cage Assistant Shift Manager.
16. Since a W2-G was not completed for either taxable jackpot, Ameristar also failed to perform the required CSADR search.

### COUNT II

17. 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.
18. 68 IAC 1-11-1(c) provides a person under twenty-one (21) years of age shall not be present in a casino.
19. On October 28, 2022, Security notified Gaming Agents that an underage person entered the casino through the pavilion entrance. The Gaming Agent reviewed surveillance coverage and observed the underage person enter the casino and walk past the garage boarding turnstile. The Security Officer was observed making a gesture to the mother suggesting the mother keep the underage child close to her as they walked through the casino. Once the mother arrived at pavilion boarding area, another Security Officer stopped them and escorted them down the escalators. The Security Officer at the garage boarding advised that he thought minors could cross the garage boarding to the pavilion boarding as long as they do not go near the gaming tables. The underage child was approximately twelve (12) years old.

### TERMS AND CONDITIONS

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

Ameristar shall pay to the Commission a total of \$8,000 (\$5,000 for Count I, \$3,000 for Count II) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in the Findings of Fact contained in 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, Ameristar agrees to promptly remit payment in the amount of \$8,000 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 Ameristar.

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

  
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Greg Small, Executive Director  
Indiana Gaming Commission

  
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Ryan Coppola, General Manager  
Ameristar Casino East Chicago, LLC

12/14/2022  
Date

12/8/22  
Date