

**ORDER 2022-216
MAJESTIC STAR CASINO, LLC D/B/A HARD ROCK CASINO
NORTHERN INDIANA
22-HR-04**

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

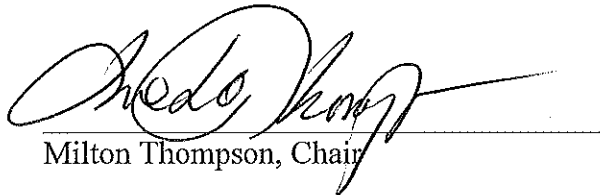
APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 15th DAY OF DECEMBER, 2022.

THE INDIANA GAMING COMMISSION:


Milton Thompson, Chair

ATTEST:


Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
MAJESTIC STAR CASINO, LLC)	22-HR-04
D/B/A HARD ROCK CASINO)	
NORTHERN INDIANA)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission ("Commission") by and through its Executive Director Greg Small and Majestic Star Casino, LLC d/b/a Hard Rock Casino Northern Indiana ("Hard Rock"), (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 2-2-1(d) provides the applicant's key persons, substantial owners, and any other persons deemed necessary to allow the commission to ensure the applicant meets the statutory criteria for licensure set forth in IC 4-33, IC 4-35, and this title must complete and submit a Personal Disclosure Form 1 (PD1) application for occupational license under 68 IAC 2-3-1.
2. 68 IAC 2-2-4(b)(3) provides an application shall be deemed filed when the completed application forms, including all required documents, all personal disclosure forms, materials, photographs, and application fee have been submitted. The commission will not begin its background investigation until the application is filed.
3. In April 2018, an individual was appointed to the Manager – Regulatory Compliance position for Seminole Hard Rock International.
4. On June 15, 2021, the Commission approved the Manager – Regulatory Compliance position as a level one (1) licensed position. The approval letter stated that the PD1 application was due within thirty (30) days of the licensing determination or position appointment. The letter also provided that if this position was already held by a level one (1) licensee, no further action was necessary. The due date of the PD1 was July 15, 2021. An application was never filed with the Commission.
5. On July 1, 2021, a new individual was promoted to Director – Regulatory Compliance. This position was not submitted to the Commission for licensure review.

6. On or about June 8, 2022, Seminole Hard Rock International submitted a job description in the Commission's occupational licensing database, LAM, for the Director – Regulatory Compliance and the Manager – Regulatory Compliance positions.
7. On June 22, 2022, the Commission inquired with Seminole Hard Rock International on six (6) items in the job description submission and also, why the individual holding the level one (1) licensee position for the Manager – Regulatory Compliance had not filed a PD1. The Commission also requested how long the individual had been in the position and also, when the individual holding the Director – Regulatory Compliance position was appointed. Seminole Hard Rock International responded to the inquiry.
8. On June 23, 2022, the Commission inquired why the Manager – Regulatory Compliance never submitted a PD1 when the Commission advised that this position was required to hold a level one (1) license on June 15, 2021. Seminole Hard Rock International responded that it was their understanding that originally the Manager role was approved but since that approval date the Director role was added. The Manager did not submit her PD1 because she was waiting to see if adding the Director role changed her license level. Seminole Hard Rock International further advised that somewhere the ball got dropped and the Director role was never submitted for approval until June of 2022.
9. On June 30, 2022, the Commission approved the job description for the Director – Regulatory Compliance as a level one (1) licensed position and the Manager – Regulatory Compliance was approved to be a level two (2) licensed position.
10. On July 28, 2022, the Director – Regulatory Compliance submitted her PD1.
11. On August 3, 2022, the Director – Regulatory Compliance was processed and licensed by the Commission.
12. The Manager – Regulatory Compliance should have been licensed as a level one (1) as designated by the Commission on June 15, 2021. The PDI was due on July 15, 2021. On June 30, 2022, the Manager – Regulatory Compliance was approved to hold a level two (2) license. The Manager – Regulatory Compliance was not licensed as a level two (2) licensee until August 9, 2022. Prior to receiving the level two (2) designation, the Manager – Regulatory Compliance never completed a PD1 or was licensed. While restricted from performing work in Indiana, the SHRSS Manager – Regulatory Compliance did not obtain the designated license for 389 days.
13. The Director – Regulatory Compliance position was not properly submitted to the Commission for review and approval, with submission occurring 342 days after the position was created at SHRSS. While restricted from performing work in Indiana, the Director – Regulatory Compliance was working in her SHRSS role from August 1, 2021 until August 3, 2022, for 367 days, without a level one (1) license.

COUNT II

14. 68 IAC 2-3-1(j)(5) provides that any other employee of a riverboat gambling operation whom the commission deems necessary, to ensure compliance with the Act and this title, is required to hold an occupational license, Level 2.
15. The Commission has deemed that Power of Attorney's ("POA") require a level two (2) license.
16. On February 12, 2020, an individual was appointed to POA for Majestic Star after the death of their current POA.
17. On June 15, 2020, the newly appointed POA was terminated during the Covid-19 pandemic process for licensees that were not being brought back to property after the re-opening of the Indiana casinos in June 2020, however, the POA remained in place at Majestic Star. The POA's license was never reinstated by Majestic Star.
18. In September 2022, the Commission became aware during the annual renewal for Hard Rock that the POA was not licensed under Hard Rock or Seminole Hard Rock International. The POA was notified that he would need to apply for a license.
19. On September 21, 2022, the POA applied for an occupational license and was issued a level two (2) occupational license under Seminole Hard Rock International as required for a POA. The POA performed duties for Majestic Star and Hard Rock for two (2) years, three (3) months and six (6) day without a license.

COUNT III

20. 68 IAC 15-12-3(a) provides the requirements for live gaming device fills.
21. On May 29, 2022, Surveillance notified Gaming Agents that a table fill was sent to the wrong table. A table fill in the amount of \$12,500 was sent to the wrong Roulette table and accepted by the table.
22. 68 IAC 15-12-3(a) provides the requirements for live gaming device fills.
23. On July 24, 2022, a Pit Manager notified Gaming Agents that an incorrect table fill was processed. The table fill requested \$10,000 in black \$100 chips, however, \$10,000 in \$500 purple chips was delivered to the table. The table fill was accepted by a Dual Rate Floor Supervisor and a Dealer/Dual Rate Floor Supervisor.

COUNT IV

24. 68 IAC 6-3-4(b)(3) requires internal controls for refusing wagers from and denying gaming privileges to any voluntarily excluded person.
25. 68 IAC 6-3-4(e)(3) provides a casino licensee shall be subject to disciplinary action under 68 IAC 13 for failure to comply with the requirements of this section and the internal control procedures outlined under this section, including, but not limited to, failure to follow internal control procedures adopted under this rule.
26. Hard Rock's approved internal control procedures, A-2, describe the procedures for the Voluntary Exclusion Program ("VEP").
27. On May 27, 2022, Gaming Agents performed a VEP audit for April 2022. The results of the audit determined that one (1) VEP had two (2) accounts. One (1) account was properly flagged, however, the second account was not marked as banned or flagged. During the audit, it was also identified that another VEP had an account that was marked as a VEP but was not flagged as banned.

TERMS AND CONDITIONS

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

Hard Rock shall pay to the Commission a total of \$13,500 (\$6,000 for Count I, \$1,500 for Count II, \$3,000 for Count III and \$3,000 for Count IV) 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, Hard Rock agrees to promptly remit payment in the amount of \$13,500 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 Hard Rock.

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

Greg Small
Greg Small, Executive Director
Indiana Gaming Commission

12/14/2022
Date

Matt Schuffert 19540
Matt Schuffert, President
Hard Rock Casino Northern Indiana

12/9/22
Date