

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
INDIANAPOLIS DOWNS, LLC)	10-IL-04
)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Indianapolis Downs, LLC (“Indiana Live”), (collectively, the “Parties”) desire to settle this matter 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. Pursuant to IC 4-35-7-2 and 68 IAC 1-11-1(c), a person who is less than twenty-one (21) years of age may not be present in the area of a racetrack where gambling is being conducted.
2. On June 19, 2010, a Gaming Agent was contacted by the Security Director regarding an underage person who had walked through the casino to the racetrack side of the property. The underage person who was ten years old and with two adults, walked past the two security officers at the main entrance. The two security officers were engaged in a conversation and did not notice the child enter.
3. On September 11, 2010, a Gaming Agent was contacted by the Security Dispatch regarding an underage person who had walked onto the casino floor from the racetrack side of the property. The underage person was not asked for identification.

COUNT II

4. 68 IAC 11-7-1(b) states “sensitive keys” mean keys that either management or the commission considers sensitive to the casino’s operation and therefore require strict control over custody and issuance. The term includes, but is not limited to, keys that will allow access to currency.
5. On May 20 and 21, 2009 the Indiana Gaming Commission Audit Staff (“Staff”) conducted an unannounced audit at Indiana Live. Part of the audit is to check to see if terminated employees are timely removed from the key watch system. The

Staff found that it took over thirty seven (37) days to remove an employee. On July 20, 2010 the Staff returned to conduct another unannounced program audit and found that it was taking eight (8) or more days to remove terminated employees.

6. In the first quarter and second quarter 2010 reports from the Internal Auditors at Indiana Live, it was noted that employees had access to sensitive keys that they should not have access to. The Director of Security removed the access on both occasions.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Indiana Live by and through its agents as described herein constitute a breach of IC 4-35, 68 IAC or Indiana Live's approved internal control procedures. The Commission and Indiana Live hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Indiana Live. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

Indiana Live shall pay to the Commission a total of \$6,000 (\$4,500 for Count I and \$1,500 for Count II) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this agreement. Neither this agreement nor any action performed pursuant to it will constitute an admission of any violation by Indiana Live. This agreement extends only to known incidents specifically alleged in this agreement and wholly based on the facts described herein. If the Commission subsequently discovers additional facts, which are not described in this agreement, that may support an independent determination that a violation has occurred, the Commission may pursue disciplinary action for such violations even if the facts are related to an incident described herein.

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

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

This Settlement Agreement shall be binding upon the Commission and Indiana Live.

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



Ernest E. Yelton, Executive Director
Indiana Gaming Commission
11-3-10

Date



Richard Kline, General Manager
Indiana Live
10/28/10

Date

**ORDER 2010-211
IN RE SETTLEMENT AGREEMENT**

**INDIANAPOLIS DOWNS, LLC
10-IL-04**

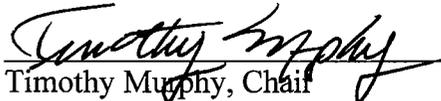
After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

Approves
APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 10th DAY OF NOVEMBER, 2010.

THE INDIANA GAMING COMMISSION:


Timothy Murphy, Chair

ATTEST:


Marc Fine, Secretary