

**ORDER 2010-119  
IN RE SETTLEMENT AGREEMENT  
HORSESHOE HAMMOND, LLC  
10-HH-02**

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 17<sup>th</sup> DAY OF JUNE, 2010.**

**THE INDIANA GAMING COMMISSION:**

  
Timothy Murphy, Chair

ATTEST:

  
Thomas Swihart, Vice Chair

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

<b>IN RE THE MATTER OF:</b>	)	
	)	<b>SETTLEMENT</b>
<b>HORSESHOE HAMMOND, LLC</b>	)	<b>10-HH-02</b>
	)	

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Horseshoe Hammond, LLC (“Horseshoe”) (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. 68 IAC 11-1-6(b) states failure to comply with approved internal control procedures may result in the initiation of a disciplinary action. Horseshoe Hammond Internal Control D-7.1(2) states that Security shall prevent patrons and non-collection team members from entering the designated drop area.
2. 68 IAC 12-1-8(5)(h) states that surveillance shall record on a log any observed procedural or control errors.
3. On September 9, 2009, the IGC Field Auditors conducted an annual unannounced program audit. During the audit of the bill validator (BV) drop it was noted that the drop area was too widespread. Because the drop area was too large, security guards were unable to maintain security of the area and several patrons entered the drop area. A copy of the audit report was sent to the casino.
4. On November 23, 2009, two IGC Field Auditors returned to the casino to conduct a follow-up audit. The Field Auditors noted the drop area was still widespread. The Auditors met with a Gaming Agent who advised that he had observed the same issue and would continue to monitor the drop. The Auditors then met with the several managers to discuss the drop area and the problems that needed attention.
4. On December 1, 2009, the Gaming Agent contacted the IGC Lead Auditor to inform him that on the previous day four Hammond Police Officers had walked through the drop area.

## COUNT II

5. 68 IAC 15-2-4(a) states the riverboat licensee shall establish policies and procedures for the processing of cash transactions in excess of ten thousand dollars (\$10,000). Prior to the processing of a cash transaction in excess of ten thousand dollars (\$10,000), the riverboat licensee shall obtain, at a minimum, the information that is required by 31 U.S.C. 5313 and 31 CFR 103.
  - (b) If an individual or agent is conducting a transaction on behalf of another individual, the same information as described in subsection (a) must be obtained for the individual serving as the agent. This is in addition to the information required for the individual for whom the transaction is being conducted.
  - (c) All identification information must be verified by examining the identification presented by the patron. Acceptable identification for a United States resident includes the following:
    - (1) Driver's license.
    - (2) United States passport.
    - (3) Other government issued photo identification cards.
  - (e) If the patron is unable to provide any of the above information or the identification provided is not acceptable, the transaction must be refused until the necessary information has been obtained.
  
6. On October 16, 2009, a Gaming Agent was contacted by a Senior Surveillance Operator concerning a male patron circumventing the Currency Transaction Report for Casinos ("CTRC"). A female patron was taking the male patron's U.S. currency and buying gaming chips from other patrons on the casino floor. During the investigation the Agent discovered that the male patron did not possess valid identification and that the female patron was cashing in the chips for the male patron. A CTRC was completed on the female patron by the cage cashier, however, several Table Games employees, who were aware of the situation, failed to inform the Cage that the female patron was an agent for the male patron. A Shift Manager for Table Games did fill out a CTRC for the male patron using information on the patron contained in Harrah's data base. He also included the female patron as an agent.

## TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Horseshoe by and through its agents as described herein constitute a breach of IC 4-33, 68 IAC and/or Horseshoe's approved internal control procedures. The Commission and Horseshoe hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Horseshoe. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

Horseshoe shall pay to the Commission a settlement of \$10,000 (\$5,000 for Count I and \$5,000 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 Horseshoe. 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, Horseshoe agrees to promptly remit payment in the amount of \$10,000 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 Horseshoe.

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

6.14.10  
Date



Dan Nita, General Manager  
Horseshoe Hammond, LLC

6/17/10  
Date