

**ORDER 2012-194
IN RE SETTLEMENT AGREEMENT
FRENCH LICK RESORT • CASINO
12-FL-02**

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 NOVEMBER, 2012.

THE INDIANA GAMING COMMISSION:



Timothy Murphy, Chair

ATTEST:



Marc Fine, Vice-Chair

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
) **SETTLEMENT**
FRENCH LICK RESORT•CASINO) **12-FL-02**
)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and French Lick Resort•Casino (“French Lick”) (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 15-6-2(a)(3) states whether or not a riverboat licensee or operating agent chooses to observe flexible scheduling:
 - a. all patrons boarding or exiting the riverboat shall pass through an approved patron counting system; and
 - b. the riverboat licensee or operating agent is responsible for ensuring that the approved patron counting system keeps an accurate count of the patrons who enter and exit the riverboat.
 - c. 68 IAC 15-6-2(a)(9) states the following individuals are entitled to a tax-free pass and do not have to pass through the patron counting system when boarding the riverboat:
 - d. Occupational licensees.
2. 68 IAC 11-1-6(b) states failure to comply with approved internal control procedures may result in the initiation of a disciplinary action. According to French Lick’s Internal Control A-6 a minimum of two Security Officers will be positioned at the two sets of entry turnstiles if the patron count is 301 or above. A minimum of one Security Officer will be positioned at the two sets of entry turnstiles if the patron count is 300 or below.
3. During the past seven months the casino has had eight violations at the turnstiles. The violations include employees exiting the casino through the turnstiles, patrons entering and exiting the casino through the employee gate, and on March 23, 2012 no security employees at the turnstiles at all. A Gaming Agent reviewed the surveillance video from March 23rd and found that the turnstiles were not manned for four minutes.

COUNT II

4. 68 IAC 2-6-6 (c) states if a riverboat licensee converts an electronic gaming device, the riverboat licensee must take the following steps: (5) the riverboat licensee shall do the following: (A) Ensure that a copy of the par sheet is placed in the electronic gaming device in accordance with section 5 of this rule. (B) Perform a coin test to ensure that the electronic gaming device is communicating with the central computer system. If the electronic gaming device is not communicating with the central computer system, the electronic gaming device must be disabled.
5. 68 IAC 11-1-6(b) states failure to comply with approved internal control procedures may result in the initiation of a disciplinary action. According to French Lick's Internal Control M-4 the casino shall perform a currency/ticket test to ensure that the slot machine is communicating with the online system. If the slot machine is not communicating with the online system, the slot machine will be disabled.
6. On May 16, 2012 a Gaming Agent was notified by a Slot Tech Supervisor that a machine which had failed the coin test was put into service. The machine was in service for three and a half hours and was played by several patrons. All of the play was captured on the slot computer system.

COUNT III

7. On June 4, 2012 a Gaming Agent was notified by a Surveillance Agent that a Poker Tournament being played was in violation of the tournament submittal. The submission sent in by the casino stated that the prior to the commencement of the tournament all value chips must be removed via table credit from any live gaming devices utilized in the tournament. The Agent reviewed the surveillance coverage and noted that the Dealers who prepared the tables for the tournament did not remove the value chips. The Agent spoke to the Director of Casino Finances and was informed that the tournament was held on nine other days. The value chips were never removed from the poker tables on any of the tournament days. The Agent contacted the Director of Table Games to inquire about disciplinary action and was told that while he was aware of the violation no disciplinary action would be taken, but that they would be compliant moving forward.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of French Lick by and through its agents as described herein constitute a breach of the IC 4-33, 68 IAC and/or French Lick's approved internal control procedures. The Commission and French Lick hereby

agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against French Lick. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

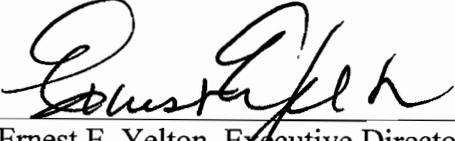
French Lick shall pay to the Commission a total of \$10,000 (\$3,000 for Count I; \$2,000 for Count II and \$5,000 for Count III) and a letter outlining the corrective action taken regarding the turnstile violations, in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this agreement. This agreement extends only to those violations and findings of fact, specifically alleged herein. If the Commission subsequently discovers facts that give rise to additional or separate violations, which are not described herein, the Commission may pursue disciplinary action for such violations even if the subsequent violations are similar or 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, French Lick agrees to promptly remit payment in the amount of \$10,000 as well as a corrective action letter, 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 French Lick.

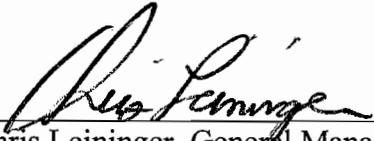
IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date and year as set forth below.



Ernest E. Yelton, Executive Director
Indiana Gaming Commission

11.14.12

Date



Chris Leininger, General Manager
French Lick Resort • Casino

11/08/12

Date