

**ORDER 2012-37  
IN RE SETTLEMENT AGREEMENT  
MIDWEST GAME SUPPLY CO.  
12-MGS-01**

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 15<sup>th</sup> DAY OF MARCH, 2012.**

**THE INDIANA GAMING COMMISSION:**

Timothy Murphy  
Timothy Murphy, Chair

ATTEST:

Mary H Shy  
Mary Shy, Secretary

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

<b>IN RE THE MATTER OF:</b>	)	
	)	<b>SETTLEMENT</b>
<b>MIDWEST GAME SUPPLY CO.</b>	)	<b>12-MGS-01</b>
	)	

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Midwest Game Supply Co. (“MGS”) (collectively, the “Parties”) desire to settle this matter prior to the initiation of a disciplinary proceeding. The Parties stipulate and agree to the following:

**FINDINGS OF FACT**

1. 68 IAC 17-2-1(b) states live gaming devices may only be moved in accordance with this rule. Riverboat licensees, riverboat license applicants, and supplier licensees must comply with this rule before live gaming devices are transported:
  - (1) from any point:
    - (A) outside of Indiana into Indiana; or
    - (B) within Indiana to any point outside Indiana; or
  - (2) within Indiana.
  - (d) Live gaming devices may only be sold or delivered, or both, to the following:
    - (1) Riverboat licensees.
    - (2) Riverboat license applicants.
    - (3) Other persons entitled to possess live gaming devices under applicable state and federal law.
      - (f) Only a person who:
        - (1) is licensed by the commission; or
        - (2) has the legal ability to possess a live gaming device in the jurisdiction in which the person will hold the live gaming device; may purchase a live gaming device from a riverboat licensee or supplier licensee.
2. 68 IAC 17-2-2(a) states at least ten (10) days before transporting live gaming devices, the person causing the movement of the live gaming device shall notify the executive director, in writing, and provide the following information:
  - (1) The full name, business address, and business telephone number of the ultimate owner of the following:
    - (A) The person selling the live gaming device.
    - (B) The ultimate owner of the live gaming device if ownership is being changed in connection with the transportation of the live gaming device.
  - (2) The:

- (A) method of transportation; and
  - (B) name, business address, and business telephone number of the carrier or carriers.
  - (3) The full name, business address, and business telephone number of the person to whom the live gaming device is being transported.
  - (4) The individual responsible for the shipment of the live gaming device for each person listed in subdivisions (1) through (3).
  - (5) The destination of the live gaming device if the address is different from the business address listed in subdivision (1)(B).
  - (6) The quantity of live gaming devices being transported.
  - (7) A brief description of each live gaming device being transported.
  - (8) Any serial number assigned to the live gaming device and a request for the issuance of a commission registration number in accordance with 68 IAC 14-1-2.
  - (9) The expected date and time of the following:
    - (A) Delivery of the live gaming device to the riverboat.
    - (12) The reason for the transportation of the live gaming device.
  - (13) Upon request by the executive director, the person selling the live gaming device must prove that the recipient is authorized, under state and federal law, to receive the live gaming device.
3. On November 28, 2011, an employee with the Missouri Gaming Commission notified the Commission's Assistant Director of Compliance regarding a shipment of five roulette wheels. The roulette wheels were being shipped to a business called Little Vegas, Inc. located in Ft. Wayne, IN. The Commission did not receive any request from Midwest to ship the wheels into Indiana. The wheels were delivered to Little Vegas on December 6, 2011. The Commission contacted the Department of Justice to inquire if Little Vegas or the owner registered with the Department of Justice to receive gaming equipment. Neither the business nor the owner had registered with the Department of Justice for the year 2011.

### **TERMS AND CONDITIONS**

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

MGS shall pay to the Commission a total of \$3,500 in settlement of the violations explained in this Settlement Agreement ("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 Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, MGS agrees to promptly remit payment in the amount of \$3,500 and shall 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 shall be binding upon the Commission and MGS.

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

  
\_\_\_\_\_  
Ernest E. Yelton, Executive Director  
Indiana Gaming Commission

3.5.12  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Linda Sohm, Owner  
Midwest Game Supply Co.

Feb. 29, 2012  
\_\_\_\_\_  
Date