

**ORDER 2013-059
IN RE SETTLEMENT AGREEMENT
CAESARS RIVERBOAT CASINO, LLC
13-CS-01**

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 21st DAY OF MARCH, 2013.

THE INDIANA GAMING COMMISSION:



Matt Bell, Chair

ATTEST:



Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
CAESARS RIVERBOAT CASINO, LLC)	13-CS-01
d/b/a HORSESHOE CASINO HOTEL)	
SOUTHERN INDIANA)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Caesars Riverboat Casino, LLC d/b/a Horseshoe Casino Hotel Southern Indiana (“Horseshoe South”), (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 4-33-9-12 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 riverboat where gambling is being conducted.
2. On December 12, 2012, a Gaming Agent was asked by Security to review a license presented at the turnstiles. Two Gaming Agents responded and inspected two different licenses, one which was expired. The person presenting the identifications did not look like the picture on either license. The person admitted to being underage and also informed the Agents that he had entered the casino earlier that day. Review of surveillance coverage verified that the underage person had presented identification at the turnstile and was allowed to enter the casino.

COUNT II

3. 68 IAC 14-3-2 (b) states that all playing cards must meet the following specifications: (1) all decks of cards must be a complete standard deck of fifty-two cards in four suits. The four suits shall be hearts, diamonds, clubs and spades. Each suit shall consist of numerical cards from: (A) two to ten; (B) a jack; (C) a queen; (D) a king; and (E) an ace.
4. 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 Southern Indiana internal control Section M-12: Poker (2) each deck of cards maintained at the poker table may be rotated in and out of play; provided, however, that no deck of cards shall be used at the

table for more than two hours without the Dealer or Poker Supervisor placing the 52 cards in suit and sequence. All decks opened for use on a poker table shall be changed at least every four hours.

5. On October 15, 2012, a Gaming Agent was contacted concerning a patron complaint. The Gaming Agent spoke to a patron at a Blackjack table who complained that the automated card shuffle machine had been malfunctioning since he had begun playing. The Agent reviewed the surveillance coverage during the approximately ten hours the patron played blackjack. During that time the shuffle machine malfunctioned eleven times and on two different occasions there were gold backed cards mixed in the black backed cards. Both times the gold cards were discovered during a hand shuffle but not before the cards were in play the first time for thirty minutes and the second time for approximately one hour.
6. On December 11, 2012, a Gaming Agent met with a Dealer in the Poker Room. The Dealer advised the Agent that the five of spades was missing from the black backed deck of cards used at a Poker Table. Surveillance was asked to review the surveillance video for the poker table while it was opened for play, including the inspection of the cards before and after the table was open for play. Two different Surveillance employees reviewed the video and informed the Agent that it was inconclusive when the card went missing. The Agent was also told that an automated shuffler was used on multiple occasions and the red error light would flash, but the cards were still put into play. The same cards were used at the table for approximately 14 hours.

COUNT III

7. 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 Southern Indiana internal control Section M 12.7 states that Horseshoe Casino will derive its poker revenue at all poker tables by extracting a commission known as the "rake". The amount of the rake to be taken at Horseshoe Casino will be 10% up to \$5.00 maximum on all games.
8. On January 9, 2013, a Gaming Agent was asked by the Gaming Supervisor to write a report in regards to a Surveillance Incident File Summary Report that indicated a Poker Dealer had failed to take a rake on three occasions. The Agent conducted a review of the incident and verified the information as correct.
9. On January 14, 2013, a Gaming Agent was contacted by Surveillance in regards to a Dealer failing to collect the correct rakes on a Poker table. The Agent reviewed surveillance coverage and found that the Dealer failed to collect a rake on five different pots and collected an improper rake on two different pots.
10. Last year in May, June and July of 2012 on twenty different occasions the rake was not collected or the improper rate was collected by five different Dealers.

COUNT IV

11. 68 IAC 2-3-9.2 (b) states riverboat licensees must advise the enforcement agent, on a form prescribed or approved by the commission, when one (1) of the following events occurs with an occupational licensee:
 - (1) The occupational licensee's employment with the riverboat licensee is terminated for any reason.
The forms must be submitted to the enforcement agent within fifteen (15) days of the occurrence of the change or action.
12. 68 IAC 2-3-8 states (a) an occupational license must be renewed annually.
(b) An occupational licensee must request renewal of the license on a form prescribed by the commission no less than thirty (30) days before the expiration of the occupational license. The occupational licensee must complete the form and provide the commission with any information or documents which the commission deems necessary.
13. On October 3, 2012 and October 12, 2012 the Commission's Licensing Coordinator received renewals for three employees whose license expired on September 2, 2012; May 12, 2012 and September 1, 2012.
14. On January 17, 2013 an e-mail was sent to the Commission's Executive Director informing him of the resignation of a Board member on December 31, 2012. As of January 29, 2013 the Commission has not received a separation form for the Board member from Caesars. The Board member held a Level 1 Occupational License.

TERMS AND CONDITIONS

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

Horseshoe South shall pay to the Commission a total of \$12,500 (\$3,000 for Count I; \$4,000 for Count II; \$500 for Count III and \$5,000 for Count IV) 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, Horseshoe South agrees to promptly remit payment in the amount of \$12,500 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 South.

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

3.14.13
Date



Eileen Moore, General Manager
Caesars Riverboat Casino, LLC

3/5/13
Date