

**ORDER 2013-109
IN RE SETTLEMENT AGREEMENT**

**BLUE CHIP CASINO, LLC
13-BC-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 27th DAY OF JUNE, 2013.

THE INDIANA GAMING COMMISSION:



Matt Bell, Chair

ATTEST:



Marc Fine, Vice-Chair

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
) **SETTLEMENT**
BLUE CHIP CASINO, LLC) **13-BC-02**
)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Blue Chip Casino, LLC (“Blue Chip”) (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 February 15, 2013, a Gaming Agent was contacted by a Security Shift Supervisor that an underage person was in the gaming area of the casino. The minor was allowed to access the gaming floor without being asked for identification. Two Security Officers were present at the turnstile at the time.

COUNT II

3. 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.
4. On March 22, 2013 a Gaming Agent received an Occupational License Separation from Service or Suspension Form from a HR Specialist. The form was for the termination of the Boyd Gaming Vice President of Corporate Marketing, who separated from the company on January 22, 2013.

COUNT III

5. 68 IAC 1-5-1(10) states any riverboat or supplier licensee shall provide a written notice to the executive director at such time as it becomes aware of any apparent criminal activity taking place on riverboat property. This information must also be submitted to an enforcement agent.

6. 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 Blue Chip internal control J-11.1 to 11.3 Cheats should be immediately removed from the gaming area and the on-site Gaming Agent should be immediately advised of the situation. If the customer continues the unacceptable behavior, or it is so severe that it does not warrant a warning, one of the following actions may be taken:
 1. Eviction - If the behavior is unacceptable and it is determined that the person's presence would cause a problem; the person can be evicted from the property for any period of time from forty eight (48) hours to permanently. The following situations would be cause for eviction and/or detention: any act of cheating, any violation of the Indiana Riverboat Gambling Act or Adopted Rules, or using a device or unauthorized activity to predict or affect the outcome of the gaming activity. An evicted person is not allowed to return to Blue Chip Casino property unless their request for readmission is approved by the Sr. Vice President of Midwest Operations and Blue Chip General Manager or his designee (see Readmission Procedures below).

A person that has been evicted will be photographed and given a trespass warning. This warning will evidence that they have been evicted from Blue Chip property and that they are not allowed to return. If the person does return, they are subject to arrest for trespassing. The Surveillance department should be notified of the identity of all evicted persons.

In addition to the Eviction Form described below, a Security Incident Report (SJ-1) shall be written to document all eviction incidents.

Eviction Form

At the time of eviction, the Security department shall provide the evicted person with a two (2) part Eviction Form (SJ-5) that contains the following information:

1. The reason for the eviction.
2. The earliest date the person may apply for readmission.
3. The criteria and procedures which must be satisfied for readmission.
4. The patron's signature and date of receipt.
5. The signature, date and gaming license number of the security officer or above.
6. Indication of whether or not a photograph was taken.
7. The Security Incident Report number.

The evicted person shall sign the Eviction Form. The evicted person will retain half of the form and Blue Chip Casino will retain the other half. In the event that an evicted person refuses to sign the form, the form shall be read to the evicted person, signed by a witness, and the refusal shall be noted on both parts of the

form. Blue Chip Casino will maintain part of the Eviction Form; each form shall be retained by Blue Chip Casino for at least one (1) year after the person's eviction has expired.

Eviction List

The Director of Security or their designee shall maintain an eviction list, which includes the following information, to the extent known, for all evicted persons:

1. Name, including aliases.
2. Date of birth.
3. Physical description.
4. The person's current address.
5. A photograph, to be taken at time of eviction.
6. Reason for eviction.

A copy of the eviction list shall be provided to the on-site Gaming Agent. Any additions or deletions to the eviction list must be reported immediately to the on-site Gaming Agent.

7. On March 16, 2013 at approximately 2:20 am, a Gaming Agent, using surveillance equipment, observed a Pit Manager and a Security Supervisor interrupt a patron at a table game. The Agent observed the conversation and did not note anything threatening about the encounter. Approximately ten (10) minutes later the patron was escorted from the casino. Approximately three (3) hours later while inspecting roulette wheels, the Agent working with the Pit Manager, inquired about the encounter. The Pit Manager informed the Agent that the patron was caught past-posting at the Craps table on three separate occasions and she decided to eject the patron for seventy two (72) hours. The incident was not reported to any Gaming Agent working at that time. The Agent spoke to the Manager of Security the same evening and was told a report was made as the Manager of Security decided to evict the patron permanently. On March 19, 2013 the Agent spoke to the Security Supervisor and asked for the report of the ejection that occurred on March 16th. The Security Supervisor told the Agent he did not write a report about the incident. After checking with the Manager of Security, the Security Supervisor informed the Agent of the evicted patron's name and that the patron had a casino player card account. The Security Supervisor stated that he did not ask the patron for identification during the incident, but he was identified by the Pit Manager. The Agent checked the identified patron's account and found a message indicating that the patron was ejected for 72 hours for past-posting on craps and claiming other guests' wagers as his. The message was posted by the Pit Manager on March 16, 2013. Another entry was made on March 19, 2013, by the Security Secretary, which stated "Evicted for behavior at craps table" and gave a report number. The Agent requested the report and found it was created on March 16, 2013 at approximately 6:50pm. The report outlined what occurred at the craps table and included that the patron had become argumentative after being caught. The report also stated that the Manager of Security decided to permanently evict the patron and that the patron would receive a signed Eviction Form along with a letter advising the patron his conduct

was the cause for the permanent eviction. On March 20, 2013 the Agent was inspecting the roulette wheels with the same Pit Manager and the Agent asked her how she identified the patron. The Pit Manager told the Agent that a Floor Supervisor had identified the patron from memory. About fifteen (15) minutes later the Agent spoke with the Security Supervisor who informed the Agent that the identified patron had entered the casino on March 18, 2013 and was told by the Casino Shift Manager to leave the casino due to the eviction on March 16th. The patron claimed that he wasn't at the casino on the 16th. On March 21, 2013 the Agent requested a surveillance photo of the patron evicted on March 16th. The Surveillance Supervisor informed the Agent that surveillance had not been informed of the eviction; however, surveillance did provide a photo of the patron. On March 22, 2013 the Agent spoke to the Casino Shift Manager who verified that the patron he encountered on March 18th claimed that he was not at the casino on March 16th. The Agent requested a photo of the patron who was at the casino on March 18th. He then compared the photo of the patron from the 16th to the patron on the 18th and found they were not the same person. The Agent informed the Casino Shift Manager of the mistaken identity. The Agent also exchanged several e-mails with the Compliance Manager regarding the mistaken identity and on March 28, 2013 the Manager informed the Agent that they added a comment to the patron's account reinstating him. They would also attempt to contact the patron and apologize, letting him know that he could return to the casino. As for the procedures, the established procedures for incidents of cheating require the notification to surveillance and Gaming Agents. In this case the Agents were not notified at the time of the incident. Proper notification procedures and the importance of confirming the identity of the individual has been reiterated to all involved. Disciplinary action was not noted even though the Agent inquired about it.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Blue Chip by and through its agents as described herein constitute a breach of the Riverboat Gambling Act, Title 68 of the Indiana Administrative Code and/or Blue Chip's approved internal control procedures. The Commission and Blue Chip hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Blue Chip. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

Blue Chip shall pay to the Commission a settlement of \$7,500 (\$3,000 for Count I; \$2,000 for Count II and \$2,500 for Count III) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in 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

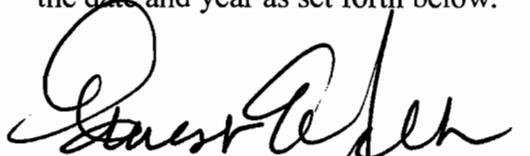
disciplinary action for such violations even if the subsequent violations are similar or related to an incident described herein.

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, Blue Chip agrees to promptly remit payment in the amount of \$7,500 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 Blue Chip.

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

6.26.13
Date



Lief Erickson, V.P. and Gen. Mgr.
Blue Chip Casino, LLC

6-7-13
Date