

**ORDER 2013-111
IN RE SETTLEMENT AGREEMENT
INDIANA GAMING COMPANY, L.P.
13-HW-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
INDIANA GAMING COMPANY, L.P.)	13-HW-02
)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Indiana Gaming Company, L.P. (“Hollywood”) (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 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.
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. Hollywood Casino’s internal control procedures, Part II: Live Games, Section D: Table Equipment, states prior to their use at a table, all decks shall be inspected by the dealer in the presence of the Table Games Supervisor or above. The cards will be inspected with the dealer in the presence of patrons. Card inspection at the gaming table shall require each deck used to be sorted into sequence and into suit to assure that all cards are in the deck.
3. On February 7, 2013, a Gaming Agent was notified by Security Dispatch that a deck of cards had been put into play in the poker room and the deck was missing the Ace of Spades. Three hands had been dealt without the Ace of Spades. Upon review of the surveillance coverage, it was determined that prior to opening the poker table the Dealer displayed two decks of cards face up across the table for inspection and the Ace of Spades was clearly missing from one deck. The deck with the missing card was placed in the automatic shuffler and the red light indicator turned on indicating a problem with the deck but the Dealer ignored it and proceeded to deal the cards. After three hands had

been dealt, the Supervisor inspected the cards and discovered the Ace of Spades had been left in the box.

COUNT II

4. On March 20, 2013, a Gaming Agent received information that a Marketing Department submittal for an online bracket challenge had been denied. Another Gaming Agent advised he had personally observed the casino conducting the promotion on March 17, 2013. The Agent proceeded to look at the casino's web site and found that the promotion was advertised. The Agent contacted the Promotions Manager who admitted that he had not checked to see if the promotion was approved before conducting it on March 17 and 18, 2013. The Promotions Manager also told the Agent the casino had begun to advertise the promotion around the last part of February and it is usually common practice to advertise promotions prior to approval. Two hundred forty five (245) people had participated before the promotion was stopped.

COUNT III

5. 68 IAC 12-1-5(f)(6) states electronic gaming device surveillance must be capable of providing the Progressive games, including dedicated coverage of the following:
(A) An electronic gaming device or group of electronic gaming devices with a possible jackpot payout in excess of fifty thousand dollars (\$50,000).
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 Hollywood internal control 1-D-7-11-c all progressive games and games with a possible jackpot payout in excess of \$50,000 or more will be monitored with a dedicated camera and continuously recorded.
7. On April 10, 2013 a Gaming Agent was informed by the Gaming Supervisor that a progressive jackpot amount was over \$50,000 on bank 4-51-1 thru 4-51-5 and did not have camera coverage. During the investigation the Agent discovered on May 31, 2012, due to problems with another progressive bank, over \$9,300 was transferred to the progressive jackpot on bank 4-51-1 thru 4-51-5, causing the progressive jackpot amount for that bank to go over \$40,000. In September of 2010 the casino received a waiver of 68 IAC 12-1-5(f)(6) allowing dedicated camera coverage for every jackpot to be delayed until the jackpot exceeded \$40,000.

COUNT IV

8. 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 Hollywood internal control Part VI: Security-Section L: Duties of a Security Officer, a security officer is primarily responsible for the safety and protection of casino patrons and employees, both within the

casino and outside, and on the surrounding property. Security officers patrol all public and non-public areas of the vessel. Both indoors and out of doors on a 24-hour, 7-day a week basis.

9. Hollywood internal control Part VI: Security-Section N: Duties of a Roving Officer state twenty-two different functions, besides the duties of a basic security officer, which include the following:
 - Make constant patrols through all areas of the vessel and shore facility.
 - Respond to and provide assistance to any security officer who is on an assigned Security post and who is in need of such assistance.
 - To report and identify all fire and safety hazards, in areas of the vessel where there is no assigned security post.
 - To monitor all firefighting equipment on a daily basis, during their patrols, to ensure that all equipment is maintained in a fully operational status.
 - To be the first on the scene, when dispatched to any area of the vessel or shore facility which does not have an assigned security post, when the security of patrons and/or shore property is in jeopardy.
 - Seal off and preserve the integrity of any crime scene when an outside law enforcement agency has been called, in reference to a crime.
 - Must make several patrols through the various areas of the vessel or grounds, during their shift and be extremely vigilant for any unusual changes in the area that he has been through on a previous patrol.
10. According to the memorandum sent by Executive Director Jack Thar, a licensee will assign sufficient Security Officers (SO) to comply with the Commission rules regarding the transfer of cash, coins, chips, etc. and will assign, at the minimum, one SO per open deck of gaming whose sole duties are to "patrol" the gaming areas to discourage theft and inappropriate behavior; and to respond to patron problems and take appropriate action when necessary.
11. On March 29, 2013 several Gaming Agents walked the upper and lower floors of the casino. The Agents did not observe any Security Officers patrolling the lower level where there are 186 slot machines. A Security Officer was stationed in the ballroom where a large poker tournament was taking place. One Gaming Agent checked the lower level several times during his shift and never observed a Security Officer in the area. The Agent spoke to a Security Officer who stated that due to hours being cut roving Officers were only assigned on the weekends. The Agent also spoke to a Security Supervisor and he stated that it is common not to have roving Officers due to the reduction in staff. On March 30, 2013 the Gaming Supervisor and an Agent walked both levels of the casino and located only one Security Officer. The Officer was conducting a table fill. The Gaming Supervisor spoke to the Security Shift Supervisor who was at the turnstile about the current security manpower. The Security Shift Supervisor informed the Gaming Supervisor he and another Officer were working the turnstiles, one Officer was at Gate Two, one was roving (this included table fills and jackpot escorts), one was in the ballroom for the Poker Tournament and one was at dispatch. On April 25, 2013 the Gaming Supervisor and an Agent observed only the Security Manager at the turnstile.

When questioned about only one Officer at the turnstiles, the Manager stated that the other Officer was sent to the parking garage to look into a complaint. On May 21, 2013 the Gaming Supervisor met with the Assistant General Manager about the Security Officer staffing. The Supervisor was told the casino feels that the staffing is adequate and that one roving officer who also handles table fills and jackpot escorts for the entire casino is sufficient. On the weekend there have been roving officers on the casino floor. Also there are no officers assigned to rove the pavilion or hotel.

COUNT V

12. 68 IAC 14-9-4 states (a) before opening a Big Six table for gaming, the pit boss or equivalent shall inspect the Big Six table and wheel to ensure compliance with this rule.
 - (b) The pit boss or equivalent shall inspect the following:
 - (1) The wheel for any contrivance that would affect the integrity or fairness of the game.
 - (2) The wheel to verify it is balanced and rotating freely and evenly.
 - (3) All parts to ensure that they are secure and free from movement.
 - (c) The riverboat licensee shall notify the gaming agent and the executive director immediately upon the discovery of a wheel that has been compromised.
 - (d) When the Big Six table is not open for gaming, the Big Six wheel shall be secured in a manner approved by the executive director in accordance with 68 IAC 14-1.

13. On May 12, 2013 a Gaming Agent asked the Table Games Shift Manager if the Big Six Wheel had been repaired. The Agent was inquiring about the wheel since it had failed inspection on the previous morning, May 11, 2013. The Big Six game was not authorized to be open for play until the wheel had been repaired and passed inspection. The Shift Manager stated that she forgot to contact Table Games Maintenance, but advised the incoming Shift Manager of the wheel failing inspection. The Shift Manager also advised that the Big Six game had been open for several hours the previous gaming day. The wheel failed inspection because after the wheel was spun clockwise and had almost come to rest on the point, the wheel would slowly begin to rotate counter clockwise. The wheel has been repaired.

TERMS AND CONDITIONS

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

Hollywood shall pay to the Commission \$24,000 (\$1,500 for Count I; \$8,500 for Count II; \$1,500 for Count III; \$10,000 for Count IV and \$2,500 for Count V) 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, Hollywood agrees to promptly remit payment in the amount of \$24,000 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 Hollywood.

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

6.28.13

Date



Todd George, General Manager
Indiana Gaming Company, L.P.

6-26-13

Date