

**ORDER 2016-067**  
**AN ORDER OF THE INDIANA GAMING COMMISSION**  
**IN RE SETTLEMENT AGREEMENT**  
**AMERISTAR CASINO EAST CHICAGO, LLC**  
**16-AS-01**

After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

**APPROVES**

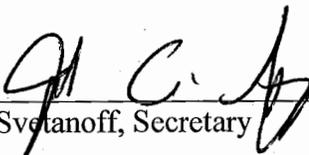
the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS 24<sup>th</sup> DAY OF FEBRUARY, 2016.**

**THE INDIANA GAMING COMMISSION:**

  
\_\_\_\_\_  
Cris Johnston, Chair

ATTEST:

  
\_\_\_\_\_  
Joseph Svetanoff, Secretary

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

<b>IN RE THE MATTER OF:</b>	)	
	)	<b>SETTLEMENT</b>
<b>AMERISTAR CASINO EAST</b>	)	<b>16-AS-01</b>
<b>CHICAGO, LLC</b>	)	

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Ameristar Casino East Chicago, LLC (“Ameristar”), (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 10-1-1.1(a) states this section applies to a riverboat licensee that offers a live gambling game with a progressive feature.
  - (b) As used in this rule, "rate of progression" means the amount by which the progressive jackpot will increase incrementally for each credit wagered by a player to participate in the progressive feature of the live gaming device.
  - (c) The rate of progression that must be offered on a gambling game with a progressive feature must be at least sixty percent (60%) and not more than one hundred percent (100%).
  - (d) Once a gambling game is offered with an established rate of progression, the rate of progression shall not be changed until after a patron wins the jackpot.
  - (e) The riverboat licensee shall submit, at a minimum, the following information to chief counsel for the commission:
    - (1) The types of gambling games that will offer a progressive feature.
    - (2) The location of the gambling games that will offer a progressive feature.
    - (3) The rate of progression for each gambling game.
    - (4) The reset amount for each gambling game.The information required by this subsection must be submitted when a new progressive live gaming device is introduced into the casino or the riverboat licensee changes the rate of progression on an existing progressive live gaming device.
  
2. On October 26, 2015 the Ameristar Director of Compliance (“DC”) emailed the Commission’s Assistant Director of Compliance (“ADC”) to inform her that Ameristar was switching the table games multi-link progressive from the DEQ system to the Shuffle Master system. On November 2, 2015 the ADC emailed the DC to ask if the Three Card Poker would still be part of the multi-link progressive or a standalone progressive. The

DC responded that she believed table games was going to remove the Three Card Poker from the progressive, but would confirm it. On November 3, 2015 the ADC emailed the DC reminding her that if the Three Card Poker was separated the patrons would need to be given notice and the casino would also need to determine how much of the current progressive was contributed by the Three Card Poker games. This amount would need to be used as the starting amount when the games were separated. The DC responded that when the 6 Card Bonus side bet was added to the Three Card Poker games the games were removed from the progressive jackpot; however only the Three Card Poker games were removed and the other types of table games remained on the progressive. The ADC sent several questions to the DC and on November 6, 2015 a Gaming Agent was asked to investigate. The investigation found that the Three Card Poker games were removed from the progressive on August 13, 2015. The progressive Internal Controls were not changed due to the fact that the DC was not aware that the games had been removed. All other Internal Controls and the layouts were approved. The amount of the multi-link progressive was at \$239,269 at the time the Three Card Poker games were removed and \$92,458 was contributed by Three Card Poker.

## COUNT II

3. 68 IAC 6-3-4(a) Each casino licensee and casino license applicant shall establish internal control procedures for compliance with this rule, which shall be submitted and approved under 68 IAC 11.
  - (b) The internal controls must, at a minimum, address the following:
    - (3) Refuse wagers from and deny gaming privileges to any voluntarily excluded person.
    - (e) A casino licensee shall be subject to disciplinary action under 68 IAC 13 for failure to comply with the requirements of this section and the internal control procedures outlined under this section, including, but not limited to, the following:
      - (3) Failure to follow internal control procedures adopted under this rule.
4. According to Ameristar Internal Control M-1.2 participants enrolled in the VEP may be identified by ACEC employees by:
  - i. CMS System Status
  - ii. Table Manager System Status
  - iii. Insertion of a players card into a kiosk, slot machine, or swiped at the Star Club Lounge, which will result in a status alert ( IC M-5.1)
  - iv. Generally recognized by a team member.
5. On October 31, 2015 a Gaming Agent was contacted by a Security Supervisor that a VEP person was on the casino floor. The VEP had a player's card made for him by a Dual Rate Table Games Supervisor earlier in the afternoon. To receive a player's card the patron must show their identification and the casino employee will check to see if the person is enrolled in the VEP. The patron bought in at a Blackjack table, but did not use the player's card. The second time he bought in, the patron used the player's card and it was discovered he was a VEP.

### **COUNT III**

6. 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.
7. On November 30, 2015 the Gaming Supervisor checked the Ameristar Team Members who had been notified on November 13, 2015 of a letter that needed to be picked up in the Gaming Office. The letters were to be picked up by the team members within 10 days of notification. The Gaming Supervisor asked a Human Resources Representative ("HR Rep") about a Dealer who had failed to pick up her letter. The HR Rep informed the Gaming Supervisor that the Dealer was terminated on October 2, 2015.
8. On December 1, 2015 and December 15, 2015, Gaming Agents received termination forms from Human Resources. Two of the forms received failed to timely notify the Agents of a termination. On December 1<sup>st</sup> one form had a termination date of November 5, 2015 and the form received on December 15<sup>th</sup> had a termination date of November 13, 2015.

### **TERMS AND CONDITIONS**

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

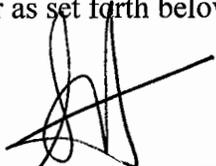
Ameristar shall pay to the Commission \$8,500 (\$4,000 for Count I; \$1,500 for Count II and \$3,000 for Count III) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this agreement. This agreement extends only to those violations 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, Ameristar agrees to promptly remit payment in the amount of \$8,500 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 Ameristar.

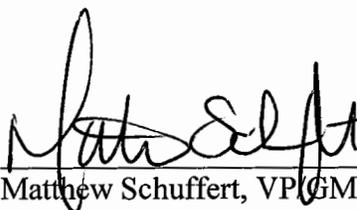
IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date and year as set forth below.



\_\_\_\_\_  
Sara Gonso Tait, Executive Director  
Indiana Gaming Commission

2/22/16

\_\_\_\_\_  
Date



\_\_\_\_\_  
Matthew Schuffert, VP/GM  
Ameristar Casino East Chicago, LLC

2/17/16

\_\_\_\_\_  
Date