

**ORDER 2016-140**  
**AN ORDER OF THE INDIANA GAMING COMMISSION**  
**IN RE SETTLEMENT AGREEMENT**  
**CENTAUR ACQUISITION, LLC d/b/a INDIANA GRAND RACING & CASINO**  
**16-IG-02**

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 19<sup>th</sup> DAY OF MAY, 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>CENTAUR ACQUISITION, LLC</b>	)	<b>16-IG-02</b>
	)	

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Centaur Acquisition, LLC (“Indiana Grand”), (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 2-3-9(d) states Occupational licensees must notify the commission that a riverboat licensee, a supplier licensee, or an occupational licensee has violated the Act or this title as soon as the occupational licensee becomes aware of the violation. If an occupational licensee fails to notify the commission of a violation of the Act or this title by a riverboat licensee, a supplier licensee, or an occupational licensee, the commission may initiate a disciplinary action.
2. 68 IAC 15-13-3 states if a manually paid jackpot exceeds one thousand two hundred dollars (\$1,200), the casino licensee shall complete and file the forms required by the Internal Revenue Service.
3. 68 IAC 1-12.5-2(b) states a submission for approval or review under subsection (a) must be submitted on the appropriate forms prescribed by the commission.  
(c) A submission for approval or review under subsection (a) must include the following:
  - (1) A copy of the official rules.
  - (2) A detailed description of the ways a patron can win.
  - (3) A copy of the marketing materials.
  - (4) A copy of documents used in the implementation of the promotional event.
4. On January 20, 2016, the daily poker tournament was held at Indiana Grand and the first place winner won \$1200; however, the winner was not given a W2-G. The casino also failed to check the Indiana Child Support Arrears Delinquency Registry (“CSADR”) to see if the winner was listed. On January 21, 2016, at approximately 4:00pm the Gaming Agents were notified of the incident. The winner’s account was frozen until the state taxes were paid. On January 23, 2016, the winner returned to the casino and paid the taxes; however, the Poker Room DigiDealer did not check the

CSADR, wrote the wrong date on the W2-G and failed to have the winner sign the W2-G. Both a Gaming Agent and the casino did separate investigations. The Agent's report verified what happened the day of the incident. Earlier on this same day another Gaming Agent began to review the currently approved tournament submissions and internal controls to verify that the actual tournaments were in compliance. The Agent found that the actual tournaments included several procedures not submitted to or approved by the Commission. Once the casino became aware of this issue, corrective action was taken.

## COUNT II

5. 68 IAC 15-13-3 states if a manually paid jackpot exceeds one thousand two hundred dollars (\$1,200), the casino licensee shall complete and file the forms required by the Internal Revenue Service.
6. On March 12, 2016, a Gaming Agent was notified by a Surveillance Shift Manager that taxes were not withheld on a jackpot in the Poker Room. The Surveillance Shift Manager told the Agent that a patron had won a jackpot over \$1200 and the Electronic DigiDeal/Server un-paused the game after the game had paused per the software settings for jackpots \$1200 or more. The Agent reviewed video coverage and found that the game had paused for a W2-G to be issued. The Electronic DigiDeal/Server un-paused the game without issuing the W2-G to the winner. After all but one of the players had left the table, the remaining player informed the Electronic Dealer/Server that the other player had won a taxable jackpot and no taxes were taken out of the winnings.

## TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Indiana Grand by and through its agents as described herein constitute a breach of IC 4-35, 68 IAC or Indiana Grand's approved internal control procedures. The Commission and Indiana Grand hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Indiana Grand. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

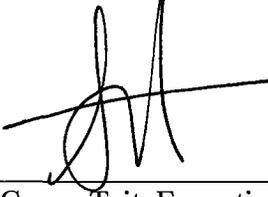
Indiana Grand shall pay to the Commission a total of \$4,000 (\$3,000 for Count I and \$1,000 for Count II) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this agreement. Neither this agreement nor any action performed pursuant to it will constitute an admission of any violation by Indiana Grand. This agreement extends only to known incidents specifically alleged in this agreement and wholly based on the facts described herein. If the Commission subsequently discovers additional facts, which are not described in this agreement, that may support an independent determination that a violation has occurred, the Commission may pursue disciplinary action for such violations even if the facts are 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, Indiana Grand agrees to promptly remit payment in the amount of \$4,000 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 Indiana Grand.

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

  
Jahnae Erpenbach, General Manager  
Indiana Grand

5/11/16

Date

April 28, 2016

Date