

**ORDER 2016-241  
IN RE SETTLEMENT AGREEMENT**

**BLUE CHIP CASINO, LLC  
16-BC-02**

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

**APPROVED**

---

APPROVES OR DISAPPROVES

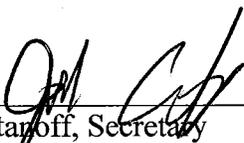
the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS THE 17<sup>th</sup> DAY OF NOVEMBER, 2016.**

**THE INDIANA GAMING COMMISSION:**

  
Cris Johnston, Chair

ATTEST:

  
Joseph Svetaroff, Secretary

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

<b>IN RE THE MATTER OF:</b>	)	
	)	<b>SETTLEMENT</b>
<b>BLUE CHIP CASINO, LLC</b>	)	<b>16-BC-02</b>
	)	

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission ("Commission") by and through its Executive Director Sara Gonso Tait 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. 68 IAC 11-7-1(b) states for the purposes of this rule, "sensitive keys" means keys that either management or the commission considers sensitive to the casino licensee's operation and therefore require strict control over custody and issuance. The term includes, but is not limited to, keys that will allow access to the following:
  - (1) Currency.
  - (2) Chips.
  - (3) Electronic gaming devices.
  - (4) An item that would affect the integrity or outcome of a game.
  
2. Blue Chip Internal Control B-5.3 states the electronic key boxes will be affixed to the wall in back of the house areas. The key boxes will contain, but are not limited to, secured and sensitive keys issued to cage, security, slots and table games personnel for the day to day operation of the departments. The electronic key box is secured by an electronic lock, a fingerprint recognition system, and a keypad set to specific programmed user access, which collectively serve to prevent unauthorized access to the key box. In addition, the electronic key box contains an alarm that is automatically activated in the event that a key is overdue, the key box door is left open or an invalid entry has occurred. A Security Shift Supervisor or above shall be responsible for investigating electronic key box alarms.
  
3. On August 5, 2016, a Gaming Agent was notified by a Surveillance Agent that the door to the key box located near the slot dispatch area was left unsecured. A Slot Technician had accessed the box to remove keys and failed to secure the door. Approximately thirty minutes later the door was discovered opened by a Slot Shift

Manager who proceeded to secure the door. When asked, the Slot Shift Manager informed the Gaming Agent that he discovered the door opened and was not told about it before he discovered it. No audible alarm sounded while the door was opened. On August 18, 2016, the Gaming Agent received an email from the Compliance Manager stating that the alarm settings in the key box were not properly configured so the alarm did not sound when the door was left opened. The configuration has been adjusted to the correct settings and was tested.

## **COUNT II**

4. 68 IAC 2-6-40 (a) Each progressive controller linking two (2) or more progressive electronic gaming devices must be housed in a double keyed compartment in a location approved by the executive director. All keys must be maintained in accordance with 68 IAC 11-7.  
(b) The executive director or the executive director's designee must be in possession of one (1) of the keys.
  
5. On September 22, 2016, a Gaming Agent worked with a Blue Chip Slot Technician and an Aristocrat Field Service Technician ("Field Service Tech") on a bank of electronic gaming devices ("EGDs"). An upgrade was being conducted and as the work concluded the Field Service Tech stated she needed to work on the progressive controller before she was done. The Agent asked the Field Service Tech if she needed to use the IGC maintained progressive controller key and she stated she did not. The Slot Technician proceeded to remove the outer section of the EGD so that the Field Service Tech could access the controller. The Agent asked the Field Service Tech if this progressive controller was different from some of the other Aristocrat progressive controllers used throughout the casino and the Field Service Tech said that it was basically similar. The Agent investigated further and found that the installation of the progressive controller was June 28, 2016 and the key that the Slot Technician used was the belly door key. The casino has installed a new lock and the Gaming Agents were given the key.

## **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.

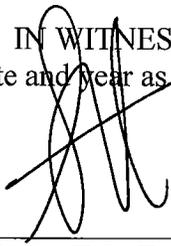
Blue Chip shall pay to the Commission a settlement of \$2,500 (\$1,500 for Count I and \$1,000 for Count II) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in this agreement. This agreement extends only to those violations and findings of fact, 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 \$2,500 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.

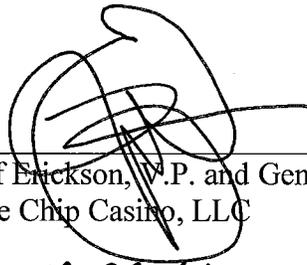
IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date and year as set forth below.



Sara Gonso Tait, Executive Director  
Indiana Gaming Commission

11/4/16

Date



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

10-28-16

Date