

**ORDER 2016-246
IN RE SETTLEMENT AGREEMENT
GAMING ENTERTAINMENT (INDIANA), LLC
16-RR-03**

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 17th DAY OF NOVEMBER, 2016.

THE INDIANA GAMING COMMISSION:



Cris Johnston, Chair

ATTEST:



Joseph Syetanoff, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
GAMING ENTERTAINMENT (INDIANA),)	16-RR-03
LLC)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission ("Commission") by and through its Executive Director Sara Gonso Tait and Gaming Entertainment (Indiana), LLC ("Rising Star") (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

1. 68 IAC 15-2-4 states (e) if the patron is unable to provide any of the above information or the identification provided is not acceptable, the casino licensee shall refuse the transaction until the casino licensee has obtained the necessary information.
(f) If the denied transaction involves chip redemptions or payment of winnings, and the patron is unable to provide adequate identification in order to verify the patron's identity and address, the patron has the option of placing the winnings on deposit or converting the winnings to chips and retaining possession of the chips. The casino licensee does, however, have the right to demand redemption of the chips. If the casino licensee chooses to exercise this right, the customer's winnings will be placed on deposit. If the customer chooses to place the winnings on deposit, this is the only instance in which a cashier will be allowed to accept a customer deposit without verifying the patron's identification. Identification information shall still be obtained verbally from the patron. A surveillance photograph must be obtained and attached to the casino's copy of the customer deposit voucher. Deposits held under this subsection will not be refunded until the patron provides proper identification and will only be refunded to the individual identified by the surveillance photograph. The table games manager or the equivalent must approve both the deposit and refund by initialing the customer deposit voucher before the transaction is complete. Identification provided for verification shall be recorded on the customer deposit withdrawal voucher and the currency transaction report.
(g) If a patron refuses to provide proper identification, the casino licensee shall stop the patron from making further cash transactions and prevent the patron from further gaming activity until the patron has provided the casino licensee with satisfactory identification.

2. 68 IAC 15-2-7 states occupational licensees are prohibited from providing information to casino patrons in an effort to assist the patron in circumventing the reporting requirements. Occupational licensees are responsible for preventing a patron from circumventing the reporting requirements if the occupational licensee has knowledge, or through reasonable diligence in

performing his or her duties, should have knowledge of the patron's attempt to circumvent the reporting requirements.

3. Rising Star Internal Control 3-8 Procedures, Page 1 states at the time of the transaction, Rising Star must secure and verify the name, address, social security number and date of birth of the patron.
4. Rising Star Internal Control 3-8 Additional Requirements, Page 5 states if a patron for whom a CTR must be completed is unable to or refuses to provide photo identification or the identification is unacceptable, the transaction will be refused until the necessary information is obtained. If the denied transaction involves chip redemptions or payment of winnings, the patron may place the winnings on deposit or convert the winnings to chips and retain possession of the chips. Rising Star does, however, have the right to demand redemption of the chips. If the right is exercised, the winnings must be placed on deposit. If the patron chooses to place the winnings on deposit, this is the only instance in which the Cashier is allowed to accept a patron's deposit without verifying identification. A surveillance photo must be obtained and attached to the Casino copy of the patron's deposit voucher. The deposit will be refunded upon proper identification and only to the individual identified by the surveillance photo. The Table Games Shift Manager or higher must approve both the deposit and the refund by initialing the patron's deposit voucher before the transaction is complete. Also, identification provided for verification should be recorded on the patron's deposit withdrawal voucher and the CTR. If a patron refuses to provide proper identification, all cash transactions will be stopped and the patron's account will be suspended preventing further gaming activity on player's account until satisfactory identification is provided.
5. On August 27, 2016, a Gaming Agent was asked to investigate a possible Currency Transaction Report ("CTR") violation that occurred on the previous gaming day. On August 26, 2016, a patron had redeemed a \$150 Rising Star check at the casino cage. Later, the patron attempted to cash in \$9,925 in gaming chips which would require the Cage Cashier ("Cashier") to complete a CTR since the amount of the two transactions exceeded \$10,000. The patron refused to sign the paperwork and became argumentative and disorderly, so Gaming Agents were called to assist with the patron. The Gaming Agents spoke to the Cage Supervisor ("Supervisor") who informed them that she would be following the cage Standard Operating Procedures ("SOP") and would not complete the payout on the chips, would complete a Suspicious Activity Report for Casinos ("SARC") and give the chips back to the patron. The Supervisor stated she was going to contact her supervisor to confirm her course of action. While the Supervisor was making the call to her supervisor, a Senior Executive Host ("Host") went to the side window to state to the Supervisor about how she was upset with the Supervisor and that the Supervisor should give the chips back or complete the transaction and fill out a SARC. The Supervisor finished her call and advised she had spoken to the Director of Finance, as she was unable to contact her direct supervisor. The Supervisor stated she would fill out a SARC and that the Director of Finance had given guidance on how to take care of the issue. One of the Agents later returned to the cage that day and was told by the Supervisor that a SARC was being completed, the patron was allowed to remove some of the money and was paid.

6. Later that day the Agent spoke to the Cashier who initially handled the transactions of the patron. The Cashier told the Agent that when the patron presented the chips for cash, the Cashier advised the Supervisor the patron had exceeded the daily threshold amount of \$10,000. The Supervisor presented the patron with a W-9 form to complete as the casino needed the patron's social security number to complete the transaction. The patron refused to fill out the form and sign it, stating he knew he was within his daily limit. The Cashier stated this is not the first time the patron has refused to complete the paperwork and advise the staff that he is within the daily transaction limits. The Cashier further stated the Cage Supervisor tried to contact her immediate supervisor, the Cage and Credit Manager, but when unable to reach her the Supervisor called the Director of Finance. While the Supervisor was on the phone the patron removed one of his \$100 chips, which made the transaction to be under the \$10,000 threshold. The Cashier said the Supervisor informed the Director of Finance that the patron had removed a \$100 chip. The Supervisor then approved for the transaction to be completed; however the cage would refuse any more transactions from the patron for the rest of the gaming day.
7. On August 29, 2016, the Gaming Agents spoke to the Host about her interaction with the patron. The Host said her department was contacted by the table games department regarding the patron's transaction issue. The Host said she spoke to the Supervisor by phone and was informed that the patron was refusing to provide proper identification to process his transaction and the cage would be keeping his chips. The Host spoke with the Executive Director of Casino Operations ("Executive Director") and it was their understanding the cage should not be allowed to keep the patron's chips, but to either process the transaction and complete a SARC or return the chips to the patron since he has the right to refuse to give his social security number. The Host stated she relayed that information to the Supervisor and told the Supervisor to contact the Director of Finance.
8. On September 7, 2016, the Gaming Agent received an email from the Cage and Credit Manager which contained an attached email from the Supervisor regarding the incident. According to the Supervisor, the Cashier informed her the patron had exceeded the \$10,000 and would need a CTR completed. The Supervisor knew the casino needed the social security number of the patron and grabbed a W-9 form. The Supervisor placed the form on the counter and told the patron before they would cash out his chips he needed to complete the form. The patron said he would never fill out a W-9 and that the transaction was not \$10,000. The patron said he wanted to speak to a host and after waiting ten minutes became more upset. The Supervisor called Security and the Gaming Agents. The Host then called the Supervisor and told the Supervisor that table games did not have the patron at \$10,000. The Supervisor informed the Host that the patron had cashed a voucher earlier in the day and was over the \$10,000. The Host said the voucher did not count toward the CTR and the Supervisor repeated that it did. The Supervisor noticed that the patron had removed a \$100 chip from his stack of chips. The Supervisor called the Director of Finance to cover herself and to make sure she was doing everything the right way. The Director of Finance told the Supervisor to pay the \$9,825 to the patron but not allow him to cash out the rest of the gaming day.
9. On September 1, 2016, the Gaming Supervisor sent an email to the Director of Finance inquiring about the information he received from the cage regarding this transaction and what factors contributed to the decision to complete the chip redemption. On September 21, 2016, the

Director of Finance was interviewed by a Gaming Agent and the Commission's Director of Audit. The Director of Finance explained that he was mainly concerned with calming down the Supervisor who was very upset. He denied knowing the patron was originally over the \$10,000 CTR threshold and that the patron had pulled back a \$100 chip to be under the threshold amount, even though he stated the Supervisor told him the patron refused to complete a W-9 form. The Director of Finance stated he only asked the Supervisor if the transaction was similar to other table game transactions where a player will leave the table with a higher amount of chips than they cash out with and if that was the case then to process the transaction. He also advised, in hindsight, the transaction should not have been processed and the Host should not have had any involvement in the decision making process.

10. On September 21, 2016, the Gaming Agent and the Commission's Director of Audit interviewed the Executive Director regarding his knowledge of the incident. The Executive Director stated he was originally notified of the incident by a Table Games Lead Floor Supervisor. The Host stopped by his office and briefly explained the situation, but he never instructed the Host to intervene. The Executive Director and the Host discussed the amount of the transaction, acknowledged it did not sound like the transaction amount was over \$10,000 and were unsure if the cage was completing the correct paperwork.
11. The casino has addressed the intervention of the other departments on the cage transaction and going forward no other outside department personnel shall interfere with cage transactions and following internal controls.

TERMS AND CONDITIONS

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

Rising Star shall pay to the Commission a sum of \$20,000 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.

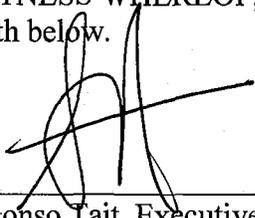
Upon execution and approval of this Settlement Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Settlement Agreement by the Commission, Rising Star agrees to promptly remit payment in the amount of \$20,000 and shall waive all 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 Rising Star.

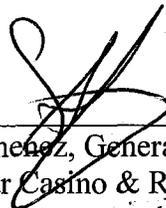
IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date and year as set forth below.



Sara Gonso Tait, Executive Director
Indiana Gaming Commission

11/9/16

Date



Steven Jimenez, General Manager
Rising Star Casino & Resort

11/3/16

Date