

**ORDER 2017-149
IN RE SETTLEMENT AGREEMENT**

**IGT
17-IGT-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 29th DAY OF SEPTEMBER, 2017.

THE INDIANA GAMING COMMISSION:



Cris Johnston, Chair

ATTEST:



Joseph Svetanoff, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
)
IGT) **SETTLEMENT**
) **17-IGT-03**
)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and IGT (collectively, the “Parties”) desire to settle this matter prior to the initiation of a disciplinary proceeding. The Parties stipulate and agree to the following:

FINDINGS OF FACT

COUNT I

1. 68 IAC 2-2-6.1(d) states except as outlined in this section, occupational licensing of an employee, independent contractor, agent, or subagent of a supplier licensee shall be governed by 68 IAC 2-3.
2. 68 IAC 2-3-8(a) and (b) states an occupational license must be renewed annually. An occupational licensee must request renewal of the license on a form prescribed by the commission no less than thirty (30) days before the expiration of the occupational license. The occupational licensee must complete the form and provide the commission with any information or documents, which the commission deems necessary.
3. On May 12, 2017, the Commission’s Occupational Licensing Coordinator received an Occupational License Renewal Application for a Client Manager III. The Client Manager’s license expired on March 29, 2017 and the renewal application was not received until May 12, 2017.

COUNT II

4. 68 IAC 2-6-2 requires that (a) the following may not be used for gaming by any casino licensee prior to the executive director, or the executive director's designee, authorizing their inclusion in the commission's online database of approved items and technologies: (1) Electronic gaming devices and any component parts material to gaming activity, including, but not limited to, the following: (A) Random number generators. (B) All game media. (C) Progressive controllers. (D) Bill changers.
5. 68 IAC 17 details the regulations for movement of gaming equipment.

6. 68 IAC 17-1-2(a) requires that at least ten (10) days before transporting electronic gaming devices, the person causing the movement of the electronic gaming device shall notify the executive director, in writing, and provide the following information: (6) the quantity of electronic gaming devices being transported and (7) a brief description of the electronic gaming device being transported.
7. 68 IAC 17-1-3 states a casino licensee, casino license applicant, or supplier licensee shall use the commission's electronic gaming device database as prescribed by the commission.
8. In accordance with 68 IAC 17-1-2(a) and 68 IAC 17-1-3, when shipping an item approved under 68 IAC 2-6-2, the supplier is required to provide the Commission with an accurate inventory of each item to be shipped and delivered, including each item's identification code in the Commission's Electronic Gaming Device System.
9. On March 27, 2017, Blue Chip's Slot Repair Manager notified a Gaming Agent that an incorrect shipment had arrived from IGT. The shipment approval listed six (6) EPROM's, however, the six (6) EPROMs that were sent to Blue Chip had a different part number than what was approved through the Electronic Gaming Device system (EGDS) by the Commission.
10. On June 30, 2017, a Gaming Enforcement Assistant Supervisor arrived at shipping and receiving to check in a controlled shipment from IGT. The request listed four (4) pieces of software, four (4) brain boxes (CPU assembly) and one (1) Universal Controller. The shipment did not contain the Universal Controller. On July 5, 2017, the Universal Controller arrived with another shipment, which contained four (4) slot machines. The Universal Controller was not listed on the request approved through the EGDS.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of IGT by and through its agents as described herein constitute a breach of IC 4-33, IC4-35, and 68 IAC. The Commission and IGT hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against IGT. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

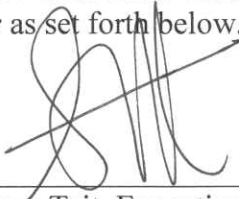
IGT shall pay to the Commission a total of \$8,500 (\$1,000 for Count I and \$7,500 for Count II) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this agreement. This agreement extends only to those violations and findings of fact specifically alleged in the findings above. If the Commission subsequently discovers facts that give rise to additional or separate violations, the Commission may pursue disciplinary action for such violations even if the subsequent violations are similar or related to an incident described in the findings above.

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, IGT 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 IGT.

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



Luke Orchard, SVP, Chief Compliance
& Risk Management Officer
IGT

9-25-17

Date

9/20/17

Date