

ORDER 2018-155

IN RE SETTLEMENT AGREEMENT

**INDIANA GAMING COMPANY, LLC d/b/a HOLLYWOOD CASINO
18-HW-03**

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

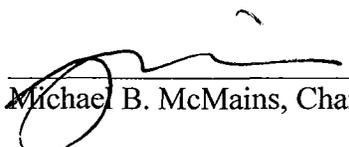
APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

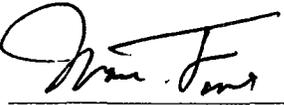
IT IS SO ORDERED THIS THE 13th DAY OF SEPTEMBER, 2018.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Marc Fine, Vice Chair

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

| | | |
|------------------------------------|---|-------------------|
| IN RE THE MATTER OF: |) | |
| |) | SETTLEMENT |
| INDIANA GAMING COMPANY, LLC |) | 18-HW-03 |
| d/b/a HOLLYWOOD CASINO |) | |
| LAWRENCEBURG |) | |

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Indiana Gaming Company, LLC d/b/a Hollywood Casino Lawrenceburg (“Hollywood”) (collectively, the “Parties”), desire to enter into this settlement agreement (“Agreement”) 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 2-3-9.2(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 form must be submitted to the enforcement agent within fifteen (15) days of the occurrence of the change or action.
2. On May 16, 2018, a Gaming Agent determined that a slot employee, whose employment was terminated on April 25, 2018, was still showing as an active employee. Termination paperwork was not provided as required.

COUNT II

3. IC 4-33-9-12(a) states a person who is less than twenty-one (21) years of age may not be present in the area of a riverboat where gambling is being conducted.
4. 68 IAC 1-11-1(c) states a person under twenty-one (21) years of age shall not be present in a casino.
5. On June 15, 2018, while in surveillance, a Gaming Agent observed an Ohio County Deputy and a Security Shift Manager detain a patron outside of Boogie Nights. The patron was underage and stopped by Security while attempting to enter Boogie Nights with a counterfeit identification with a date of birth of May 3, 1995. Gaming Agents and Security placed the identification in the scanner and confirmed the identification would scan as if it were real but once under the black light, a part of the identification did not illuminate as it should and the picture appeared to be glued on. The underage person

admitted to Gaming Agents that the identification was fake and she had been on the casino floor.

A review of surveillance showed the underage person present the counterfeit identification to the Security Officer at the casino entrance. The Security Officer placed the identification under the black light at the podium. The underage person was allowed entry onto the casino floor.

COUNT III

6. 68 IAC 11-9-2(a) states the casino licensee or trustee shall submit to the executive director internal control procedures concerning the withholding of cash winnings from delinquent obligors in accordance with 68 IAC 11-1.
7. 68 IAC 11-1-3(c)(4) states that no casino licensee or casino license applicant may use an internal control procedure unless the internal control procedure has been approved, in writing, by the executive director.
8. 68 IAC 13-1-1(b)(2) and (3) states the Commission may initiate an investigation or a disciplinary action, or both, against a licensee if the Commission has reason to believe the licensee is not complying with licensure conditions or is not complying with this Act or this title.
9. Hollywood's approved internal control procedures, Part I - Section K, describes the procedures for child support arrears and administration delinquency registry procedures.
10. On June 24, 2018, a Gaming Agent performed an audit of the Child Support Arrears Delinquency Reporting ("CSADR"). During the investigation, the Revenue Audit Supervisor provided a log to the Gaming Agent that detailed a list of patrons who had won a jackpot since January 1, 2018. Revenue Audit advised that the log is updated daily by the slot department and at the end of each gaming day, a Casino Accountant verifies searches are being performed.

A review of the log determined that forty-five (45) patrons, out of 12,632 who won jackpots, were not searched in the CSADR.

COUNT IV

11. 68 IAC 15-13-2(d) states that manually paid jackpot shall proceed in the following manner: (8) The slot attendant shall reset the electronic gaming device so that play on the electronic gaming device may continue. The electronic gaming device shall be relocked after it is cleared. The security officer or slot department employee shall remain present throughout this procedure.
12. On May 26, 2018, Surveillance notified Gaming Agents that a Slot Floor Person failed to reset a jackpot at an electronic gaming device ("EGD").

13. On May 30, 2018, Security notified a Gaming Agent that a Slot Floor Person failed to reset an EGD.
14. On June 21, 2018, Security notified a Gaming Agent that a Slot Floor Person failed to reset an EGD.

COUNT V

15. 68 IAC 11-1-2(1) states the procedures from the internal control system are designed to ensure the assets of the casino licensee are safeguarded.
16. 68 IAC 15-1-2 states the purpose of the accounting records and procedures is to ensure the following: (1) The assets of the casino licensee or casino license applicant are safeguarded.
17. 68 IAC 11-1-3(c)(4) states that no casino licensee or casino license applicant may use an internal control procedure unless the internal control procedure has been approved, in writing, by the executive director.
18. 68 IAC 13-1-1(b)(2) and (3) states the Commission may initiate an investigation or a disciplinary action, or both, against a licensee if the Commission has reason to believe the licensee is not complying with licensure conditions or is not complying with this Act or this title.
19. Hollywood's approved internal control procedures, Part IV - Section E, describe the procedures for the Cashier's Cage.
20. On May 17, 2018, Security notified a Gaming Agent that a Cage Banker failed to secure his drawer when leaving the Cage at the end of his shift.
21. On May 22, 2018, Surveillance notified Gaming Agents about a theft of a tip tote that contained an unknown amount of money located within an arm's reach inside the High Limit Cage. The cage had been closed for three (3) days when the theft occurred. A review of surveillance coverage showed a male patron reach into the window of the high limit cage to steal the tip tote.
22. Hollywood's approved internal control procedures, Part II - Section M, describe the procedures of Live Games Accounting Tip Allocation.
23. On June 5, 2018, a Gaming Agent was performing a pit inspection and discovered the token box storage area of the podium unsecured. There were five (5) token boxes containing chips in the podium and unsecured.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Hollywood by and through its Agents as described herein constitute a breach of IC 4-33, 68 IAC and/or Hollywood's approved internal control procedures. The Commission and Hollywood hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Hollywood.

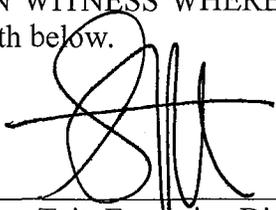
Hollywood shall pay to the Commission a total of \$45,500 (\$1,000 for Count I, \$1,500 for Count II, \$40,000 for Count III, \$1,000 for Count IV and \$2,000 for Count V) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this 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 Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, Hollywood agrees to promptly remit payment in the amount of \$45,500 and shall waive all rights to further administrative or judicial review.

This 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 Agreement. This Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Agreement shall be binding upon the Commission and Hollywood.

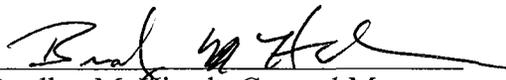
IN WITNESS WHEREOF, the Parties have signed this Agreement on the date and year as set forth below.



Sara Gonso Tait, Executive Director
Indiana Gaming Commission

9-13-18

Date



Bradley M. Hirsch, General Manager
Indiana Gaming Company, L.P.

9/10/18

Date