

**ORDER 2018-47  
IN RE SETTLEMENT AGREEMENT**

**FRENCH LICK RESORT • CASINO  
18-FL-01**

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

**APPROVED**

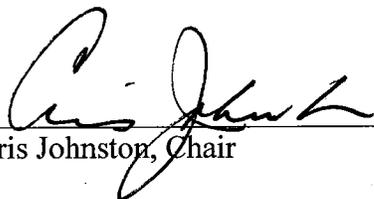
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APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS THE 8<sup>th</sup> DAY OF MARCH, 2018.**

**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>FRENCH LICK RESORT•CASINO</b>	)	<b>18-FL-01</b>
	)	

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and French Lick Resort•Casino (“French Lick”) (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 10-3-5(a)(1) states winning wagers must be paid at the following odds: Straight up bets must be paid at odds of at least thirty-five (35) to one (1).
2. 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.
3. French Lick’s Internal Control Procedure, L-1, describes the handling of disputes and irregularities at live gaming devices.
4. French Lick’s Internal Control Procedure, L-6, describes the rules of play for Roulette.
5. On August 20, 2017, a Gaming Agent was observing a roulette table on the casino floor. During this time, there was one patron playing at the roulette table. The patron placed several \$25.00 wagers. The roulette ball landed in the number 32 on the wheel, but the Dealer marked the number 23 and swept all bets. The patron pointed out this error to the Dealer. The Dealer requested the Table Games Supervisor’s assistance with the correction of the error. The Table Games Supervisor instructed the Dealer to mark the number 32 as the winning number and to also place the patron’s wager on that number. As a result, the Dealer paid the patron for this wager in the amount of \$875.00. The Table Games Floor Supervisor failed to notify Surveillance and request a video review. In further investigating this incident, a Gaming Agent requested a surveillance review, which confirmed that the patron did not have a bet on the number 32 and should not have been paid.

6. French Lick's Internal Control Procedure, B-24, describes the procedures for the Casino Ticket Kiosks.
7. On November 17, 2017, a Surveillance Supervisor reported that a Dual-Rate (DR) Cage Cashier/Main Banker failed to notify surveillance before performing a kiosk drop.
8. 68 IAC 15-9-3(a)(1) states the casino licensee or operating agent must establish policies and procedures in connection with the removal, collection, and counting of the tip box contents for subsequent distribution to gaming occupational licensees. These policies and procedures must include, at a minimum, the following: Tip boxes must be dropped and counted at the end of each day. Surveillance must be notified before the emptying of any tip boxes.
9. French Lick's Internal Control Procedure, B-10, describes the procedures for Cage Gratuities.
10. On November 2, 2017, a Surveillance Supervisor reported that a Security Officer failed to notify surveillance before beginning the slot token collection. This violation was discovered when the Security Officer called for permission to enter the Main Cage hallway with the tokens. Surveillance coverage confirmed that a Security Officer and two (2) Slot representatives collected the slot tokens without notifying surveillance.
11. 68 IAC 11-3-6(b)(1) states the soft count team shall notify surveillance prior to the initiation of the soft count. Surveillance shall visually record the entire soft count process.
12. French Lick's Internal Control Procedure, D-4, describes the procedures for the table games soft count process.
13. On October 13, 2017, a Surveillance Agent reported a soft count procedural violation. Specifically, members of the count team did not notify surveillance prior to beginning the count process and surveillance did not give approval for the count process to begin.
14. 68 IAC 15-13-2(a)(b)(1) state the casino licensee shall submit policies and procedures covering manually paid jackpots. The policies and procedures for manually paid jackpots shall include the manner in which the slot attendant will verify the validity of the jackpot.
15. French Lick's Internal Control Procedure, M-8, describes the jackpot payout procedures.
16. On November 20, 2017, a Surveillance Agent reported that a Slot Service Representative failed to notify surveillance before a \$1,200 jackpot was paid out at a slot machine.

## COUNT II

17. 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.
18. On October 4, 2017, a Gaming Agent contacted an HR Generalist regarding the renewal date of two occupational licensees. It was determined that one of the two employees had separated from French Lick on January 19, 2015. The separation form had been completed, but French Lick failed to submit the separation notice to the Commission.

### COUNT III

19. 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.
20. 68 IAC 13-1-1(b)(2)(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.
21. French Lick's Internal Control Procedure, M-8, describes the Jackpot Payout Procedures for \$1,200 and above.
22. On November 21, 2017, the Assistant Gaming Enforcement Supervisor received an email from the Revenue Audit Supervisor, which contained a W-2G dated November 19, 2017. The W-2G was for the amount of \$1,440. The signature did not match the name on the W-2G. Surveillance coverage confirmed that the appropriate person was paid the jackpot, however, the W-2G the person signed did not have his name on it. It was determined that another patron's player's card was in the machine at the time of the jackpot being won. When the Slot Service Representative processed the jackpot, the computer automatically populated the W-2G and the Slot Service Representative failed to verify that the name on the W-2G matched the identification provided by the winner of the jackpot.
23. On November 26, 2017, the Assistant Gaming Enforcement Supervisor received an email regarding an incident where a W-2G form appeared to be incorrectly processed. The W-2G was processed on October 7, 2017. Surveillance coverage was no longer available for review. Through a review of the player tracking system, a male patron's card was in this particular slot machine when the jackpot was won. This male's name was on the W-2G, however, a female patron signed for the jackpot.
24. On December 19, 2017, a Gaming Agent received an email from the Revenue Audit Supervisor that a W-2G was processed for an incorrect patron on December 17, 2017 on

a \$5,000 jackpot. The signature did not match the name on the W-2G. Surveillance coverage confirmed that the appropriate patron was paid the jackpot, however, the W-2G the winning person signed did not have his name on it. The W-2G had another patron's name on it. The other patron's player's card was in the machine at the time of the jackpot being won but that patron did not place the winning wager. When the Slot Service Representative processed the jackpot, the computer automatically populated the W-2G and the Slot Service Representative failed to verify that the name on the W-2G matched the identification provided by the winner of the jackpot.

#### **COUNT IV**

25. 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.
26. 68 IAC 1-11-1(c) states a person under twenty-one (21) years of age shall not be present in a casino.
27. On December 18, 2017, a Security Lead Officer notified a Gaming Agent that an underage person was attempting to enter the casino. The Security Lead Officer stated the underage person may have entered the casino the previous night. Surveillance coverage confirmed that the underage person did enter the casino through the turnstiles on the previous evening. The Security Officer was on the phone when the underage person walked through the turnstiles and did not request to review the underage person's identification.

#### **TERMS AND CONDITIONS**

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

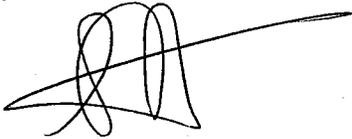
French Lick shall pay to the Commission a total of \$18,500 (\$10,000 and submission of a corrective action plan for Count I, \$1,000 for Count II, \$6,000 for Count III and \$1,500 for Count IV ) in consideration for the Commission foregoing disciplinary action based on the facts specifically described 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, French Lick agrees to promptly remit payment in the amount of \$18,500 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.

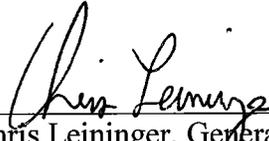
This Settlement Agreement shall be binding upon the Commission and French Lick.

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

3/8/18  
\_\_\_\_\_  
Date



\_\_\_\_\_  
Chris Leininger, General Manager  
French Lick Resort Casino

3/6/18  
\_\_\_\_\_  
Date