

ORDER 2019-161

IN RE SETTLEMENT AGREEMENT

**AMERISTAR CASINO EAST CHICAGO, LLC
19-AS-03**

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

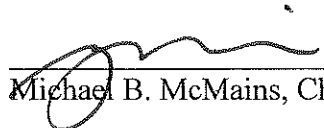
APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

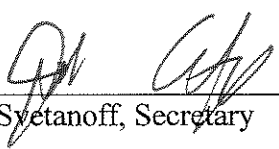
IT IS SO ORDERED THIS THE 28th DAY OF AUGUST, 2019.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Joseph Syetanoff, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
AMERISTAR CASINO EAST)	19-AS-03
CHICAGO, LLC)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Ameristar Casino East Chicago, LLC (“Ameristar”), (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 11-9-2(a) provides that casino licensees or trustees 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.
2. 68 IAC 11-1-3(c)(4) provides 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. 68 IAC 13-1-1(b)(2) and (3) provides that 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.
4. Ameristar’s approved internal controls, C-18, describe its procedures for the Child Support Intercept Process.
5. On May 9, 2019, a Gaming Agent audited the Child Support Arrears Delinquency Registry (CSADR) for April 2019. The results of this audit found one (1) individual was not searched through the CSADR system at the time a taxable jackpot was won.

COUNT II

6. 68 IAC 14-3-2(b) states all playing cards must meet the following specifications:
 - (1) Unless otherwise provided in this article, all decks of cards must be one (1) complete standard deck of fifty-two (52) cards in four (4) suits. The four (4) suits shall be hearts, diamonds, clubs, and spades. Each suit shall consist of numerical cards from:

- (A) two (2) to ten (10);
- (B) a jack;
- (C) a queen;
- (D) a king; and
- (E) an ace.

7. On May 29, 2019, a Gaming Agent was advised that playing cards were missing at a blackjack table. A Casino Manager and a Pit Manager requested a review of surveillance coverage when five (5) green backed playing cards were found on the floor during the table game drop.

A review of surveillance coverage determined that at 4:58am a Dealer attempted to place playing cards in the discard rack but the cards fell to the floor. The Dealer picked up the playing cards and placed them in the discard rack. The green deck of playing cards remained in play until 5:35am at which time the red deck of playing cards were put into play. At 6:17am, the table games drop was conducted and some cards that were between the drop box and the bottom of the table fell to the floor.

8. On June 27, 2019, a Gaming Agent was notified by a Surveillance Observer that an orange playing card was found mixed in with a blue deck of playing cards. The orange playing card had been accidentally left in the shuffler when the blue deck of playing cards were inserted into the shuffler.

A review of surveillance coverage determined at 9:32am the orange playing cards were removed from the shuffler and one orange playing card was left behind. At 9:39am, a red light came on which was cleared by an Assistant Pit Manager. At 9:49am, the red light came on again. At 9:51 a.m., the Dealer hand shuffled the blue deck of playing cards. The blue deck of playing cards were dealt with the orange playing card in the deck for approximately thirteen (13) minutes and eleven (11) hands were dealt.

9. On July 4, 2019, a Gaming Agent was notified by an Assistant Casino Manager that two (2) red playing cards were missing from a blackjack table. The two (2) red playing cards were left in the shuffler when an Assistant Pit Manager switched it with another shuffler. An Assistant Casino Manager advised the reason the shuffler was being switched was due to the red light continuing to light up and the shuffler stopped working. The Assistant Casino Manager also acknowledged that the Assistant Pit Manager failed to properly check the shuffler before switching it out. One (1) shoe was played with a total of eighteen (18) hands with the two (2) red playing cards missing.
10. 68 IAC 14-3-5(a) states all dice or playing cards that are not being utilized at a live gaming device shall be kept in locked compartments.
11. On July 12, 2019, a Gaming Agent was notified by a Surveillance Observer that a green jack of clubs was found under a pit podium.

A review of surveillance coverage determined that a Dual Rate Supervisor counted down the playing cards in question and placed the playing cards on the pit podium. The playing cards fell to the floor. The Dual Rate Supervisor picked up the playing cards and failed to ensure all playing cards were accounted for prior to packaging them up for transportation to card and dice storage.

12. On July 13, 2019, a Gaming Agent was notified by a Surveillance Observer that an orange queen of spades was found under a baccarat table.

A review of surveillance coverage determined at 7:11 p.m. the Dealer placed playing cards into the discard rack. Several playing cards subsequently fell to the floor. The Dual Rate Supervisor picked up the playing cards and placed them back into the discard rack. At 7:49 p.m., a relief Dealer checked into the game and identified the playing card under the table. The card was picked up and placed into the discard rack.

COUNT III

13. 68 IAC 1-5-1(1)(A) states a casino or supplier licensee shall provide a written notice to the executive director as soon as the casino or supplier licensee becomes aware of a violation or apparent violation of a rule of the commission by a casino or supplier licensee.
14. 68 IAC 2-6-36 states unless permitted by the executive director, in writing, when more than one (1) progressive electronic gaming device is linked together, each electronic gaming device on the link must have the same probability of hitting the combination that will award the progressive jackpot or jackpots.
15. 68 IAC 12-1-5(f)(6) states electronic gaming device surveillance must be capable of providing the following: Progressive games.
16. On April 15, 2019, a Gaming Agent was reviewing a surveillance report regarding a linked progressive that was displaying \$27,000 rather than \$10,000. The linked progressive included fourteen (14) slot machines. The surveillance report detailed that on April 10, 2019, a Slot Performance Manager notified surveillance of this issue and that all other linked slot machines were reading \$10,000. Computer records indicated that the slot machine went out of service at 4:30am on April 9, 2019 and when the slot machine came back on it showed \$27,000.

The Gaming Agent communicated with the Slot Performance Manager and Slot Technician who advised when the slot machine rebooted it grabbed an old progressive profile from the controller which had a much higher incrementation rate. The progressive incrementation rates on the other linked slot machines were not affected. All progressive meters on this slot machine were affected which also caused the slot machine to hit progressives at a much higher rate. The Slot Technician advised that he could not delete the old profiles but it could be zeroed out.

Due to the camera angle and pixilation of the surveillance coverage, the Gaming Agent was unable to determine the progressive amount on the slot machine before and after the reboot. Per the surveillance report, the slot machine was in service for 29 hours and 20 minutes with the incorrect progressive incrementation rate.

TERMS AND CONDITIONS

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

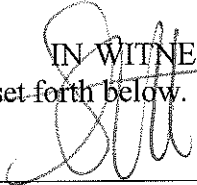
Ameristar shall pay to the Commission a total of \$11,000 (\$500 for Count I, \$5,500 for Count II and \$5,000 for Count III) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this Agreement. This Agreement extends only to those 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, Ameristar agrees to promptly remit payment in the amount of \$11,000 and shall waive all rights to further administrative or judicial review.

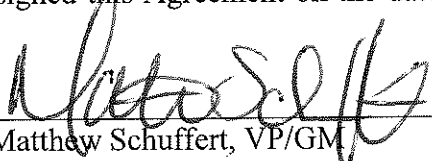
This Agreement constitutes the entire agreement between the Parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Agreement. This Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Agreement shall be binding upon the Commission and Ameristar.

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



Matthew Schuffert, VP/GM
Ameristar Casino East Chicago, LLC

8/28/19
Date

8/22/19
Date