

**ORDER 2020-55
IN RE SETTLEMENT AGREEMENT**

**GAMING ENTERTAINMENT (INDIANA), LLC d/b/a RISING STAR CASINO
RESORT
20-RR-01**

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 10th DAY OF JULY, 2020.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Joseph Svetanoff, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
)
GAMING ENTERTAINMENT (INDIANA),) **SETTLEMENT**
LLC d/b/a RISING STAR CASINO RESORT) **20-RR-01**

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Gaming Entertainment (Indiana), LLC d/b/a Rising Star Casino Resort (“Rising Star”) (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 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.
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. Rising Star’s approved internal control procedures, Section 3-14(4), describe its procedures for Child Support Intercept Process.
5. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (“CSADR”) for October 2019. The results of this audit were that one (1) patron was not searched in the CSADR after winning a taxable jackpot.

COUNT II

6. IC 4-38-5-3(a) provides that a person who is less than twenty-one (21) years of age may not be present in an area where sports wagering is being conducted.
7. IC 4-33-9-12(a) provides that 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.
8. 68 IAC 1-11-1(c) provides that a person under twenty-one (21) years of age shall not be present in a casino.

9. On November 22, 2019, Security notified Gaming Agents that an underage person had entered the Sports Book. The underage person had previously attempted to enter the Sports Book and the traditional casino floor but was denied because he admitted to being underage and/or he did not have identification on his person. The underage person was later able to enter the Sports Book with his father as the Security Officer at the Sports Book did not request to see his identification and allowed him to enter. The underage person was able to play an electronic gaming device while in the Sports Book.
10. On December 8, 2019, a Gaming Agent was approaching the Sports Book when he observed two (2) young children with their father in the Sports Book. A Security Officer was posted at the entrance to the Sports Book but appeared to be talking to a female patron and had not observed the children enter the Sports Book.
11. On January 12, 2020, Security notified Gaming Agents that a suspicious patron was trying to use another patron's credit card at the Cage. The Gaming Agent located the patron and upon questioning him about the credit card, the Gaming inquired about the patron's age. The patron initially lied and said he was 21 before admitting to being 19. The underage person advised the Gaming Agent he was not carded when entering the casino. A review of surveillance coverage determined that Security did not request identification from the underage person when he entered the casino.

COUNT III

12. 68 IAC 15-6-4(b) provides that vendors and visitors must report to security to complete the vendor and visitor log and to obtain a badge. When the vendor or visitor leaves the casino, the vendor or visitor must complete the appropriate portion of the log.
13. 68 IAC 15-6-4(e) provides that the vendor and visitor log shall contain the following information:
 - (1) The name of the vendor or visitor.
 - (2) The company or organization the vendor or visitor represents.
 - (3) The date and time the vendor or visitor entered the casino.
 - (4) The purpose that necessitates the vendor or visitor entering the casino.
 - (5) The date and time that the vendor or visitor exits the casino. The casino licensee is responsible for instituting a policy that ensures that vendor and visitor badges are returned to the security department and accounted for when the vendor or visitor exits the casino.
 - (6) If the person is a visitor, the individual who authorized the visitor's presence in the casino.
 - (7) Any other information deemed necessary by the executive director or the commission to ensure compliance with IC 4-33, IC 4-35, and this title.
14. On January 24, 2019, the Commission issued a memorandum to all casino licensees on occupational licenses. The memorandum stated vendor or visitor badges are not to be utilized by those who hold or should hold an individual occupational license. Per the memorandum, if individuals who hold or should hold an occupational license attempt to access the gaming floor using a vendor or visitor badge, casino staff should assist in the matter by refusing entry and directing the individuals to local Gaming Agents for assistance.
15. On October 7, 2019, a Gaming Agent conducted an audit of the vendor log for September 2019 and the discovered the following violations.
16. On September 11, 2019, a vendor Slot Technician's wrong last name was listed.

17. On September 20, 2019, a vendor Field Service Tech did not list a first name and had the wrong license number.
18. On September 20, 2019, a vendor Field Service Tech did not list a last name.
19. On September 27, 2019, a vendor Field Service Tech did not list a first name.
20. On October 8, 2019, Security notified Gaming Agents that a vendor was on the casino floor without a vendor's badge. The vendor was on property assisting with a promotional giveaway. The vendor did not sign in at Security Dispatch and receive a vendor's badge prior to accessing the casino floor.
21. On October 22, 2019, Security notified Gaming Agents that a vendor was attempting to enter the casino floor at the turnstiles without a proper badge. It was also determined that he had accessed the casino floor to service NRT machines the day prior without a proper badge. The vendor was ultimately escorted to the Gaming Agent office to get the appropriate Commission issued badge.
22. On November 12, 2019, a Gaming Agent conducted an audit of the vendor log for October 2019 and the discovered the following violation.
23. On October 21, 2019, despite being an occupational licensee, a Konami System Training Specialist utilized a vendor badge to access the casino floor. The individual holds an occupational license with the Commission.
24. On December 16, 2019, a Gaming Agent conducted an audit of the vendor log for November 2019 and the discovered the following violation.
25. Between the dates of November 3, 2019 and November 14, 2019, despite all being occupational licensees, five (5) individuals from SB Tech did not sign in and out daily with Security Dispatch. Each individual made multiple visits to the casino without signing in and out on the vendor log.

COUNT IV

26. 68 IAC 11-3-1(b) provides that members of the currency collection team and soft count team shall wear clothing that is not conducive to the concealment of currency. Members of the currency collection team and soft count team shall not wear hats.
27. The 24-hour Gaming Operations Plan requires the following for the Slot Soft Drop:
 - a. The Drop Team will consist of *five (5)* Security Officers and at least two (2) employees from the Soft Count Staff.
 - b. Bill Validators will be laid out by the Drop Team and may begin prior to the end of the gaming day.
 - c. Security will define drop area/row/aisle.
 - d. The empty collection trolley will be stationed at the end of an aisle of slot machines which are having the bill validators removed and replaced with empty bill validators.
 - e. Security will be responsible for patron safety by requesting any patron who may be playing a slot machine to momentarily suspend play, and clear the aisle to allow for the removal of the slot bill validator by the drop team member. One Security Officer will be assigned to monitor the trolley.
 - f. Patrons will be allowed to remain within view of the game from which their play was suspended.
 - g. After all patrons and non-drop team employees have been cleared from the designated drop area, Security will station themselves at opposite ends of the designated drop area. Security will prevent patrons and non-drop employees from entering the designated drop area while the bill validators are being collected.

- h. Once the area is secured, the drop team member(s) will remove the bill validator from the slot machine base compartment and place the empty bill validator in the drop base.
- i. Once the bill validators collected from this area are stacked and placed on the collection cart, security will conduct a visual sweep of the drop area and the trolley will be moved to the next designated slot drop area where the bill validator process will be repeated. Patrons will then be allowed to resume gaming.
28. 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.
29. Rising Star's approved internal control procedures, 2-6, describe its procedures for the currency collection process.
30. On January 21, 2020, Surveillance notified Gaming Agents the Count Room Supervisor entered the count room during the table game count without his jumpsuit on. Once he called Surveillance to notify them of the start of the count, the Count Room Supervisor realized he needed to exit the room and put on his jumpsuit.
31. On December 16, 2019, a Gaming Agent was on the casino floor assisting a Slot Supervisor when the Slot Supervisor received a call that a cash box had been left on the floor. It was determined that the "hot" cash box had been left on the casino floor during the drop process. The "hot" cash box was unsecured for approximately two (2) hours. The "hot" cash box went unnoticed by the Count Room Attendant and Security Officer when they were performing a sweep of the area. Five (5) patrons looked at the cash box with at least two (2) of them holding or touching it. The amount in the cash box between currency and tickets was \$1,004.33.
32. On October 28, 2019, Security notified a Gaming Agent that the bill validator drop process would be delayed until the day shift Security Officers arrived to work because Security did not have enough Security Officers to perform the drop.
33. On November 26, 2019, Surveillance notified Gaming Agents that the bill validator drop process was suspended because a Security Officer was needed to escort a jackpot payout.
34. On October 7, 2019, Surveillance notified Gaming Agents that a patron was found in the drop zone. Security failed to identify the patron when they were setting up the drop zone area and did not locate the patron until they drop process began.
35. On December 10, 2019, Surveillance notified Gaming Agents that a patron was found in the drop zone. Security failed to identify the patron when they were setting up the drop zone area and did not locate the patron until they drop process began.

COUNT V

36. 68 IAC 1-1-73 defines a progressive jackpot as a value determined by application of an approved formula to the income of independent, local, or electronic gaming devices or live gaming devices. This value must be clearly displayed above the interlinked electronic gaming device, above or beside the live gaming device and metered incrementally by a progressive controller. A progressive electronic gaming device must prominently display a manufacturer-supplied glass indicating either that a progressive jackpot is to be paid or the current amount of the jackpot.

37. 68 IAC 2-6-35 provides that the electronic gaming device must be linked to a progressive meter or meters showing the current payoff to all players who are playing an electronic gaming device which may potentially win the progressive amount.
38. On December 12, 2019, Surveillance notified Gaming Agents that a patron hit what should have been a linked progressive jackpot but the electronic gaming device (“EGD”) did not register it as a progressive win. The EGD registered it as a \$2,000 payout. It was determined the EGD should have been setup as a linked progressive but was not. The progressive amount on the progressive meter was showing as \$5,649.05. The options on the EGD were set by a Slot Tech on November 24, 2019 and the EGD had not been contributing to the progressive as required. Revenue Audit was able to determine the appropriate amount that should have contributed to the progressive and ensured the patron was appropriately paid.
39. 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.
40. 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.
41. Rising Star’s approved internal controls, 4-11, describe its TITO ticket procedures.
42. On October 31, 2019, a Dual Rate Floor Attendant notified Gaming Agents that a patron was able to print a TITO ticket in the amount of \$1,250.96. It was determined that the EGD payout/credit limit was set at \$11,999.
43. 68 IAC 15-13-2(d) provides that manually paid jackpots shall proceed in the following manner:
- (1) The jackpot shall be verified in accordance with the policies and procedures submitted under subsection (b)(1).
 - (2) Based on the information contained on the manually paid jackpot slip, the casino cashier shall present the proper amount of cash to the slot attendant.
 - (3) The slot attendant shall ensure that the amount of cash presented by the casino cashier matches the information contained on the manually paid jackpot slip.
 - (4) After the slot attendant and the casino cashier ensure the cash presented matches the information contained on the manually paid jackpot slip, both the slot attendant and the casino cashier shall sign the manually paid jackpot slip.
 - (5) The casino cashier shall retain the original copy of the manually paid jackpot slip and issue remaining copies to the slot attendant.
 - (6) A security officer or slot department employee shall escort the slot attendant from the cage to the appropriate electronic gaming device. The security officer or slot department employee who begins completing the manually paid jackpot must complete the process of witnessing, escorting, and signing the appropriate documentation to verify the manually paid jackpot was completed. If there is a discrepancy with the manually paid jackpot, the same security officer or slot department employee who began the manually paid jackpot must accompany the manually paid jackpot back to the cage to resolve the discrepancy.
 - (7) After arriving at the appropriate electronic gaming device, the security officer or slot department employee shall do the following:

- (A) Verify the jackpot.
- (B) Witness the jackpot payout to the patron.
- (C) Complete the appropriate sections of the manually paid jackpot slip.
- (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.
- (9) One (1) copy of the completed manually paid jackpot slip shall be deposited into a locked accounting box so that it will not be available to slot attendants or other persons who participate in manually paid jackpots.
- (10) The remaining copy of the completed manually paid jackpot slip shall be returned to the casino cage.

- 44. Rising Star's approved internal control procedures, 3-14, describe its procedures for hand paid jackpots.
- 45. On December 25, 2019, a Slot Shift Manager notified Gaming Agents that a Slot Attendant failed to reset a hand pay jackpot.
- 46. On November 29, 2019, a Slot Supervisor notified Gaming Agents that a Slot Attendant failed to notify Surveillance prior to resetting a jackpot in the amount of \$25,000.
- 47. On October 24, 2019, a Dual Rate Floor Attendant notified Gaming Agents that a Slot Attendant failed to notify Surveillance before resetting a jackpot for the amount of \$1,800.
- 48. On January 10, 2020, a Gaming Agent received correspondence about a W-2g that had two (2) separate names on it. The name listed as the winner and the signature given was two (2) different names. While initially reviewed as a potential jackpot switch, it was determined to be a mother and daughter. The rightful winner was properly searched through CSADR. A corrected W-2g has been placed in the mail.

COUNT VI

- 49. 68 IAC 11-4-4 provides that (a) at any time when a live gaming device is closed, chips remaining at the live gaming device shall be counted by the appropriate level of occupational licensee assigned to the live gaming device and verified by the pit boss or the equivalent.
 - (b) A live gaming device inventory slip shall be prepared.
 - (c) The occupational licensee and the pit boss or the equivalent who observed the count of the contents of the tray shall sign the inventory slip at the time of closing the live gaming device attesting to the accuracy of the information recorded.
 - (d) The occupational licensee shall immediately deposit the closer in the drop box.
 - (e) The pit boss or the equivalent shall place the opener on the live gaming device tray in a manner that the amounts on the opener may be read through the cover, and lock the transparent live gaming device tray lid in place.
- 50. On December 18, 2019, a Table Games Lead Floor Supervisor notified Gaming Agents of a closing error on a table game. The table closer identified that there was \$22,000 in chips when there were actually \$24,000 in chips.
- 51. On December 1, 2019, Surveillance notified Gaming Agents of a closing error on a table game. The table closer identified there were \$2.50 pink chips in the float totaling \$100, however, there were no pink chips in the float. There were actually \$1 white chips, totaling \$100.

52. On October 30, 2019, a Floor Supervisor notified Gaming Agents of a table closer error. The table closer identified that there was \$21,000 in chips when in fact there were actually \$21,100 in chips.
53. 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.
54. 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.
55. Rising Star's approved internal controls, 6-1, describe Security duties and responsibilities and specifically detail when surveillance shall be notified.
56. On October 9, 2019, Surveillance notified Gaming Agents that Security failed to notify Surveillance prior to leaving the table games areas for a card and dice escort.
57. Rising Star's approved internal control procedures, 3-14, describe its procedures for hand paid jackpots.
58. On December 15, 2019, a Table Games Shift Manager notified Gaming Agents that a Royal Flush jackpot had occurred at a table game in the amount of \$46,289.50 on a \$1 progressive wager. The jackpot was paid at the cage and the W-2g was issued properly, however, the patron in question also won an additional \$17,500 at the table that also qualified for a non-progressive taxable jackpot. The patron was paid the \$17,500 at the table and taxes were not withheld. Four (4) other patrons were identified as having won the envy bonus for their \$1 progressive wager. These payouts also occurred at the table and were not taxed. All players were notified and would be returning to pay taxes except two (2) players. Those players did not return Rising Star's phone calls. Rising Star advised they would pay the taxes for those individuals.

COUNT VII

59. 68 IAC 15-1-2(1) provides the purpose of the accounting records and procedures is to ensure the assets of the casino licensee or casino license applicant are safeguarded.
60. On November 18, 2019, Gaming Agents received correspondence from the Director of Finance that incorrect state and federal ID numbers had been printed on W-2g forms since the transition from ACSC to Konami. This issue arose because when setting up the new Konami system, Rising Star chose to model their W-2g format from their sister property Silver Slipper. During the process, Rising Star failed to replace the tax ID numbers for Silver Slipper. Two hundred and four (204) W-2g's were impacted and had to be reprinted. The forms have been corrected for future use and the corrected versions were mailed to patrons.

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, IC 4-38, IC 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.

Rising Star shall pay to the Commission a total of \$31,400 (\$1,000 for Count I, \$12,000 for Count II, \$3,400 for Count III, \$4,500 for Count IV, \$5,000 for Count V, \$4,000 for Count VI and \$1,500, for Count VII) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in the findings 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, Rising Star agrees to promptly remit payment in the amount of \$31,400 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 may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile, or other electronic signature by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically as if the original had been received.

This 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



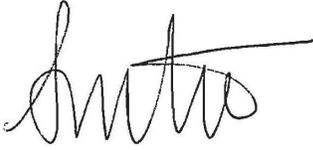
Benjamin Douglass, General Manager
Gaming Entertainment (Indiana), LLC

Date

3-26-2020

Date

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

6/24/20

Date

Benjamin Douglass, General Manager
Gaming Entertainment (Indiana), LLC

Date