

**ORDER 2020-56
IN RE SETTLEMENT AGREEMENT**

**AZTAR INDIANA GAMING CO., LLC d/b/a TROPICANA EVANSVILLE
20-TE-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**

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|--------------------------------------|---|-------------------|
| IN RE THE MATTER OF: |) | |
| |) | SETTLEMENT |
| AZTAR INDIANA GAMING CO., LLC |) | 20-TE-01 |
| d/b/a TROPICANA EVANSVILLE |) | |

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Aztar Indiana Gaming Co., LLC d/b/a Tropicana Evansville (“Tropicana”), (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. IC 4-38-11-1 provides that (a) the bureau shall provide information to a certificate holder concerning persons who are delinquent in child support.
 - (b) Prior to a certificate holder disbursing a payout of six hundred dollars (\$600) or more, in winnings, from sports wagering to a person who is delinquent in child support and who is claiming the winning sports wager in person at the certificate holder's facility, the certificate holder:
 - (1) may deduct and retain an administrative fee in the amount of the lesser of:
 - (A) three percent (3%) of the amount of delinquent child support withheld under subdivision (2)(A); or
 - (B) one hundred dollars (\$100); and
 - (2) shall:
 - (A) withhold the amount of delinquent child support owed from winnings;
 - (B) transmit to the bureau:
 - (i) the amount withheld for delinquent child support; and
 - (ii) identifying information, including the full name, address, and Social Security number of the obligor and the child support case identifier, the date and amount of the payment, and the name and location of the licensed owner, operating agent, or trustee; and
 - (C) issue the obligor a receipt in a form prescribed by the bureau with the total amount withheld for delinquent child support and the administrative fee.
 - (c) The bureau shall notify the obligor at the address provided by the certificate holder that the bureau intends to offset the obligor's delinquent child support with the winnings.
 - (d) The bureau shall hold the amount withheld from the winnings of an obligor for ten (10) business days before applying the amount as payment to the obligor's delinquent child support.
 - (e) The delinquent child support required to be withheld under this section and an administrative fee described under subsection (b)(1) have priority over any secured or

unsecured claim on winnings except claims for federal or state taxes that are required to be withheld under federal or state law.

2. Chapter 5, Section 2(2)(W) of the Emergency Rules for Sports Wagering provide that prior to beginning sports wagering operations, a sports wagering operator must submit for approval under 68 IAC 11 internal controls for withholding winnings from delinquent child support obligors in accordance with IC 4-38-11, including a plan for complying with IC 4-38-11 if the sports wagering operator allows the redemption of tickets via mail.
3. 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.
4. 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.
5. 68 IAC 13-1-1(b)(2) and (3) provides 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.
6. Tropicana's approved internal control procedures, 11-9 and 19-5-2(22), describe its procedures for Child Support Intercept Process.
7. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry ("CSADR") for July-September 2019. The results of this audit were that three (3) individuals were not searched in the CSADR after winning a taxable jackpot.
8. Gaming Agents conducted an audit of the CSADR for November 2019. The results of this audit were that one (1) individual was not searched in the CSADR at the time sports wagering winnings in excess of \$600 was won.
9. Gaming Agents conducted an audit of the CSADR for December 2019. The results of this audit were that one (1) individual was not searched in the CSADR after winning a taxable jackpot.

COUNT II

10. 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.
11. 68 IAC 1-11-1(c) provides that a person under twenty-one (21) years of age shall not be present in a casino.

12. On October 11, 2019, a Gaming Agent was aware of a possible underage person on the casino floor. The underage person was found seated at a table game. After reviewing the underage person's identification, the Gaming Agent inquired about his age and the underage person advised he was eighteen (18). The underage person stated that Security did not request to see his identification upon entry into the casino. Surveillance confirmed that Security did not request his identification at the casino entrance.
13. On December 30, 2019, Security notified Gaming Agents that an underage person was able to access the casino floor. The underage person entered the casino floor with her parents and was not asked for identification.
14. On January 30, 2020, Security notified Gaming Agents that four (4) underage individuals were trying to access the casino floor. The four underage individuals advised that they had been previously allowed access to the casino floor as they walked through the casino floor to eat at Cavanaugh's restaurant. Surveillance confirmed that Security allowed all four (4) underage individuals access to the casino floor without checking their identification.

COUNT III

15. 68 IAC 14-3-5(a) provides that all dice or playing cards that are not being utilized at a live gaming device shall be kept in locked compartments.
16. On December 20, 2019, a Table Games Dual Rate Assistant Shift Manager notified Gaming Agents that playing cards were left unattended at a table game. Surveillance coverage confirmed that playing cards were left unattended in the discard rack for approximately fifty (50) minutes.
17. On January 28, 2020, a Table Games Dual Rate Assistant Shift Manager notified Gaming Agents that playing cards were left unattended at a table game. Surveillance coverage confirmed that a Scientific Games Field Service Tech left playing cards unattended at a table game on three (3) separate occasions while calibrating a shuffler.
18. 68 IAC 14-3-2(a) and (b) provides that (a) all playing cards utilized by a riverboat licensee or a riverboat license applicant must comply with this rule.
(b) 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.

19. On November 11, 2019, a Table Games Shift Manager notified Gaming Agents that there was a missing playing card in the Poker Room. Surveillance confirmed that a Dealer pitched a playing card which landed under the rail of the table and out of sight. Two (2) more hands were dealt with the playing card missing. The missing playing card was discovered when a relief Dealer counted down the playing cards.
20. On November 26, 2019, Surveillance notified Gaming Agents that there was a missing playing card in the Poker Room. The playing card was found on the floor. A surveillance review determined that at least eight (8) hands were dealt with the playing card missing.
21. On January 11, 2020, Surveillance notified Gaming Agents that there was a missing playing card in the Poker Room. The playing card was found on the floor. A surveillance review determined that at least two (2) hands were dealt with the playing card missing.
22. 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.
23. On November 5, 2019, Surveillance notified Gaming Agents of a table closer error. The form indicated there was \$110 in pink \$2.50 chips but there was actually \$120 in pink \$2.50 chips.
24. On November 23, 2019, Surveillance notified Gaming Agents of a table closer error. The form indicated there was \$19,150 in green \$25 chips but there was actually \$14,150 in green \$25 chips.
25. On December 18, 2019, Surveillance notified Gaming Agents of a table closer error. The form indicated there was \$3,800 in green \$25 chips but there was actually \$4,800 in green \$25 chips.
26. On January 10, 2020, Surveillance notified Gaming Agents of a table closer error. The form indicated there was \$80 in pink \$2.50 chips but there was actually \$130 in pink \$2.50 chips.

27. On January 25, 2020, Surveillance notified Gaming Agents of a table closer error. The form indicated there was \$97.50 in pink \$2.50 chips but there was actually \$95 in pink \$2.50 chips.

COUNT IV

28. 68 IAC 1-1-73 provides that a progressive jackpot means 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.
29. 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.
30. 68 IAC 2-6-37 provides that (a) during the normal operating mode of the progressive controller, the controller must do the following:
- (1) Continuously monitor each electronic gaming device attached to the controller to detect credits wagered.
 - (2) Multiply the credits wagered by the programmed rate of progression and denomination in order to determine the correct amounts to apply to the progressive jackpot.
 - (b) The progressive display must be constantly updated as play on the link is continued. It will be acceptable to have a slight delay in the update as long as when a jackpot is triggered the jackpot amount is shown immediately.
 - (c) At least one (1) progressive display to which a group of progressive electronic gaming devices is linked must continuously display the amount of the progressive jackpot that a patron may win.
31. On November 16, 2019, a Slot Tech notified Gaming Agents that there was an issue with two (2) progressive electronic gaming devices (“EGD”). The Slot Tech advised that the bottom two (2) levels on the progressive were not incrementing. It was determined that there had been an issue with one (1) of the EGD’s that required it to be RAM cleared. This EGD held the progressive controller for both EGD’s. The EGD’s were bill tested prior to being placed into service. The Slot Tech believed the EGD’s had passed the bill test and was unsure at what point the EGD’s stopped incrementing. The Slot Performance Manager later advised Gaming Agents that an incorrect setting led to this incrementation issue.

COUNT V

32. 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.

33. 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.
34. Tropicana's approved internal control procedures, 19-5, describe its count procedures for the Sports Book.
35. On December 1, 2019, Surveillance notified Gaming Agents that a Security Officer failed to notify surveillance prior to completing a bank escort in the sports book area. The Security Officer failed to give his specific location to Surveillance prior to the escort. Surveillance was unable to locate the Security Officer prior to him beginning the escort.
36. 68 IAC 1-5-1(1)(A) provides that 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.
37. On January 17, 2020, the Gaming Agent Supervisor conducted a review of the surveillance logs. The review was initiated because the Dealer Error Log had zero entries on December 26, 2019, which the Gaming Agent Supervisor knew was atypical. The results of the review indicated that there were ten (10) regulatory violations not logged which included overpayment of a wager, table closer errors, poker room variance, incorrect dealing procedures, etc. There were also four (4) instances of past posting. None of these violations were reported to the Commission.

COUNT VI

39. 68 IAC 12-1-5(f) provides that electronic gaming device surveillance must be capable of providing the following:
 - (1) A view of all patrons.
 - (2) A facial view of the patrons with sufficient clarity to allow identification of a patron.
 - (3) A view of the electronic gaming device with sufficient clarity to observe the result of the game.
 - (4) An overall view of the areas around the electronic gaming device.
 - (5) A view of bill validators with sufficient clarity to determine bill value and the amount of credit obtained.
 - (6) Progressive games, including dedicated coverage of the following:
 - (A) An electronic gaming device or group of electronic gaming devices with a possible jackpot payout in excess of fifty thousand dollars (\$50,000).
 - (B) The progressive display showing the incrementation of the progressive jackpot for an electronic gaming device or a bank of electronic gaming devices.
40. On November 12, 2019, the Director of Surveillance notified Gaming Agents that the surveillance department had been conducting routine progressive camera checks when they discovered that there was no fixed progressive coverage on an EGD. The EGD

progressive had a top aware of over \$300,000 and the Grand award was over \$100,000. Once the issue was identified, a camera was immediately installed. The Director of Surveillance acknowledged that it slipped his mind to install the camera and that he had received a move notification about the progressive EGD. The Slot Performance Manager also stated there was no communication between Surveillance and the Slot Department in regard to the camera being installed and coverage being approved. Gaming Agents also should have approved this coverage prior to the EGD being put into play.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Tropicana by and through its Agents as described herein constitute a breach of IC 4-33, IC 4-38, 68 IAC, the Emergency Rules for Sports Wagering, and/or Tropicana's approved internal control procedures. The Commission and Tropicana hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Tropicana.

Tropicana shall pay to the Commission a total of \$56,500 (\$5,000 for Count I, \$31,500 for Count II, \$10,500 for Count III, \$1,500 for Count IV, \$4,500 for Count V, and \$3,500 for Count VI) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in 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.

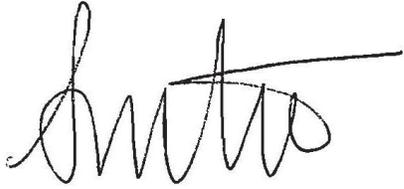
Upon execution and approval of this Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, Tropicana agrees to promptly remit payment in the amount of \$56,500 and shall waive all rights to further administrative or judicial review.

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 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 Tropicana.

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

John J. Chaszar, General Manager
Azstar Indiana Gaming Co., LLC

Date

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Sara Gonso Tait, Executive Director John J. Chaszar, General Manager

Indiana Gaming Commission Aztar Indiana Gaming Co., LLC

Date

3/20/2020

Date