

**ORDER 2022-149  
IN RE SETTLEMENT AGREEMENT**

**BLUE SKY CASINO, LLC d/b/a FRENCH LICK RESORT • CASINO  
22-FL-03**

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

**APPROVED**

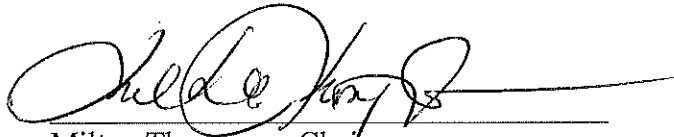
---

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS THE 27<sup>th</sup> DAY OF SEPTEMBER, 2022.**

**THE INDIANA GAMING COMMISSION:**

  
Milton Thompson, Chair

ATTEST:

  
Jason Dudich, Secretary

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

<b>IN RE THE MATTER OF:</b>	)	
	)	<b>SETTLEMENT</b>
<b>BLUE SKY CASINO, LLC d/b/a</b>	)	<b>22-FL-03</b>
<b>FRENCH LICK RESORT•CASINO</b>	)	

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Greg Small and Blue Sky Casino, LLC d/b/a French Lick Resort•Casino (“French Lick”), (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 the casino license 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 license 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 approved internal control procedures, B-25, describe the procedures for child support delinquency reporting.
4. Gaming Agent’s audited the Child Support Arrears Delinquency Registry (CSADR) for June 2022. 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**

5. 68 IAC 15-13-2(a) provides in accordance with 68 IAC 15-1-3, the casino licensee or casino license applicant shall submit policies and procedures covering manually paid jackpots.  
(b) The policies and procedures for manually paid jackpots shall include, but not be limited to, the following areas: (1) The manner in which the slot attendant will verify the validity of the jackpot.
6. French Lick’s approved internal control procedures, M-8, describe the procedures for jackpot payout procedures.

7. On May 29, 2022, Surveillance notified Gaming Agents that a jackpot was not verified correctly. A Slot Rep Supervisor failed to notify surveillance before paying the jackpot.
8. 68 IAC 15-2-3(a) provides the casino licensee shall be required to maintain a log for the purpose of recording aggregated cash transactions in excess of three thousand dollars (\$3,000). The casino licensee shall require coordination between the pits, slots, cashiers, cages, redemption centers, and other appropriate areas to ensure all transactions in excess of three thousand dollars (\$3,000) are recorded.
9. 68 IAC 15-2-3(c)(8) provides the log shall include, a photograph of the patron to be taken during the first transaction of the day involving that patron
10. French Lick's approved internal controls, E-2, describes the procedures for photograph requirements.
11. On July 10, 2022, Surveillance notified Gaming Agents that a Dual Rate Table Games Supervisor/Dealer failed to notify surveillance when a casino patron reached the multiple transaction log threshold for the day.

### COUNT III

12. 68 IAC 14-3-2(b) provides 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.
13. On June 26, 2022, Surveillance notified Gaming Agents that a two (2) of clubs was found under the table rail at a blackjack table. A review of surveillance coverage determined that a Dealer was counting down the cards and preparing the decks for play for opening the table game. While performing a wash of the cards, the two (2) of clubs went under the padded rail of the table. The table was opened for play and the entire time the table was open, the two (2) of clubs was missing and an incomplete deck was in play. The card was found to be missing when the cards were counted down during the table closure process. A total of fourteen (14) shoes were dealt missing a card.

### COUNT IV

14. 68 IAC 15-13-2 provides the casino shall submit policies and procedures for manually paid jackpots.
15. French Lick's approved internal control procedures, M-8, describe slot pays.

16. On May 26, 2022, the Assistant Revenue Audit Manager notified Gaming Agents that a W-2G had been processed incorrectly on May 21, 2022, by a Slot Service Representative. The Slot Service Representative improperly processed an \$1,800 jackpot. The W-2G was completed for the wrong patron. The correct patron was paid. Taxes could not be processed until the W-2G was corrected. The W-2G was not corrected until July 18, 2022.

### 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, IC 4-38, 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 \$5,500 (\$1,000 for Count I, \$2,000 for Count II, \$1,500 for Count III and \$1,000 for Count IV) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in the Findings of Fact contained 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.

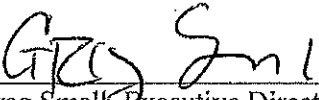
Upon execution and approval of this Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, French Lick agrees to promptly remit payment in the amount of \$5,500 and waive all rights to further administrative 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 French Lick.

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

  
\_\_\_\_\_  
Greg Small, Executive Director  
Indiana Gaming Commission  
9/26/2022  
Date

  
\_\_\_\_\_  
Chris Leiningel, General Manager  
Blue Sky Casino, LLC  
9/15/22  
Date