

**ORDER 2010-51
RE SETTLEMENT AGREEMENT**

**INDIANAPOLIS DOWNS, LLC
10-IL-01 and 10-IL-02**

After reviewing the attached Settlement Agreements, the Indiana Gaming Commission hereby:

APPROVES
APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreements.


IT IS SO ORDERED THIS THE 4th DAY OF MARCH, 2010.

THE INDIANA GAMING COMMISSION:



Timothy Murphy, Chair

ATTEST:



Marc Fine, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
INDIANAPOLIS DOWNS, LLC)	10-IL-01
)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Indianapolis Downs, LLC (“Indiana Live”), (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. Pursuant to IC 4-35-7-2(a) and 68 IAC 1-11-1(c), a person who is less than twenty-one (21) years of age may not be present in the area of a casino where gambling is being conducted.
2. On October 25, 2009, a Gaming Agent was contacted by Security Dispatch regarding an underage person who had been allowed on the casino floor. The underage person presented an expired Indiana Driver’s License and a military identification card. The Security Officers questioned why he did not look like the person on the identification and the underage person replied that he had lost weight at boot camp. The Security Officers allowed the minor to enter the casino. The height and eye color of the minor did not match that of the identification.

COUNT II

3. 68 IAC 6-3-4 (b)(5) requires the casinos to establish internal controls procedures that ensure voluntarily excluded persons do not receive check cashing privileges or extensions in credit, whether directly through the casino operating agent, or through a supplier contracting with the casino or operating agent on property hired for the purpose of check cashing privileges or extension of credit, or both.
4. On October 26, 2009, a Gaming Agent was notified that a VEP may be on the casino floor. The Gaming Agent confirmed that the person was a VEP. The Agent reviewed surveillance footage of the VEP on the casino floor and noted that she was given a credit card advance by a Cage Cashier prior to another Cashier contacting the Gaming Agent.

COUNT III

5. 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; (2)(C) when an occupational licensee transfers to another position with the riverboat licensee. The form must be submitted to the enforcement agent within fifteen (15) days of the occurrence of the change or action.

6. On November 7, 2009, a Gaming Agent was at the cage when a Cage Cashier inquired when she could come to the Commission office and receive a badge for her new position. The badge the Cashier was wearing was a level three for a Cashier/Host for the Food and Beverage Department. The Gaming Agent checked the OOCLIC and found that the Cashier was still entered at the level three badge. The Agent also checked the Cashier's file and noted that there was no application or paperwork for a position change for the level two job. The Agent inquired when the employee had changed positions and was told September 6, 2009.

7. On November 10, 2009, a Gaming Agent received an e-mail from his Supervisor regarding terminated employees. The Agent checked the files for three employees and found no termination paperwork. The Agent contacted the Human Resources Department and the paperwork was received on November 11, 2009. The dates of termination for the employees were January 12, 2009, February 18, 2009 and April 3, 2009.

8. On November 18, 2009, a Gaming Agent compiled a list of terminated employees that were still active in the OOCLIC system. The termination paperwork on the employees was received on November 17 and 18, 2009. There were two employees terminated in February 2009, two terminated in March of 2009 and two terminated in April of 2009.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Indiana Live by and through its agents as described herein constitute a breach of IC 4-35, 68 IAC or Indiana Live's approved internal control procedures. The Commission and Indiana Live hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Indiana Live. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

Indiana Live shall pay to the Commission a total of \$29,000 (\$6,000 for Count I; \$3,000 for Count II and \$20,000 for Count III) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this agreement. Neither this agreement nor any action performed pursuant to it will constitute an admission of any violation by Indiana Live. This agreement extends only to known incidents specifically alleged in this agreement and wholly based on the facts described herein. If the Commission subsequently discovers additional facts, which are not described in this agreement, that may support an independent determination that a violation has occurred, the Commission may pursue disciplinary action for such violations even if the facts are related to an incident described herein.

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, Indiana Live agrees to promptly remit payment in the amount of \$29,000 and shall waive all rights to further administrative or judicial review.

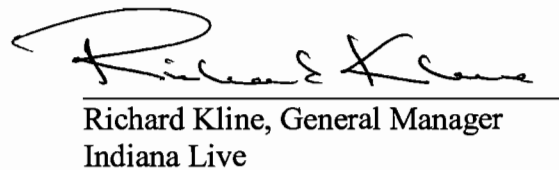
This Settlement Agreement constitutes the entire agreement between the parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Settlement Agreement. This Settlement Agreement may 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 Indiana Live.

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


Ernest E. Yelton, Executive Director
Indiana Gaming Commission

3.1.10
Date


Richard Kline, General Manager
Indiana Live

2/26/10
Date

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
INDIANAPOLIS DOWNS, LLC)	10-IL-02
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SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Indianapolis Downs, LLC (“Indiana Live”), (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 1-4-6 states that the casino licensee shall perform due diligence to ensure that each person that the casino license enters into a contract or transaction with meets the requirements set forth in 68 IAC 2-2.
2. Indiana Live has a contractual agreement with Cordish Gaming Management, LLC (“Cordish”) to provide management services for the casino. On November 13, 2008, Cordish received their permanent supplier’s license from the Commission. The supplier’s license annual renewal form and fee was due to the Commission on November 12, 2009, but was not received until December 2, 2009. During November 12 through December 2, 2009, Indiana Live continued to use the services of Cordish.

COUNT II

3. 68 IAC 1-1-86 defines a “substantial owner” as any person who is not an institutional investor, who holds any direct, indirect, or attributed legal or beneficial interest, and whose combined direct, indirect, or attributed interest is five percent (5%) or more ownership interest in a business entity.
4. 68 IAC 2-1-4(g) states an applicant's key persons and substantial owners must submit a Personal Disclosure Form 1 at the time Part II of the casino owner's license application is filed.
5. On November 2, 2007 the Commission received the owner’s license application for Indiana Downs, LLC. In the application, ANC Trust was not listed as a

substantial owner even though it indirectly owned 7.4% of Indianapolis Downs, LLC. On June 4, 2008 the Commission received information indicating that ANC Trust did indirectly own 7.4% of Indianapolis Downs, LLC at the time the application for an owner's license was submitted.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Indiana Live by and through its agents as described herein constitute a breach of IC 4-35, 68 IAC or Indiana Live's approved internal control procedures. The Commission and Indiana Live hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Indiana Live. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

Indiana Live shall pay to the Commission a total of \$20,000 (\$5,000 for Count I and \$15,000 for Count II) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this agreement. Neither this agreement nor any action performed pursuant to it will constitute an admission of any violation by Indiana Live. This agreement extends only to known incidents specifically alleged in this agreement and wholly based on the facts described herein. If the Commission subsequently discovers additional facts, which are not described in this agreement, that may support an independent determination that a violation has occurred, the Commission may pursue disciplinary action for such violations even if the facts are related to an incident described herein.

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, Indiana Live agrees to promptly remit payment in the amount of \$20,000 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 Indiana Live.

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



Ernest E. Yelton, Executive Director
Indiana Gaming Commission

3.3.10

Date



Ross Mangano,
Chairman of the Board
Indianapolis Downs, LLC

3/2/10

Date