

**ORDER 2019-48
IN RE SETTLEMENT AGREEMENT**

**BLUE CHIP CASINO, LLC
19-BC-01**

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

APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

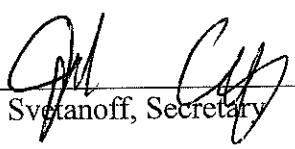
IT IS SO ORDERED THIS THE 8th DAY OF MARCH, 2019.

THE INDIANA GAMING COMMISSION:



Michael McMains, Chair

ATTEST:



Joseph Svetanoff, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
) **SETTLEMENT**
BLUE CHIP CASINO, LLC) **19-BC-01**
)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Blue Chip Casino, LLC (“Blue Chip”) (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 1-12.5-2(a)(1) states a casino licensee shall submit a promotional event under this subsection to the commission at least fifteen (15) days prior to the promotional event.
2. On December 31, 2018, the Commission’s Promotions/Compliance Coordinator approved a blanket kiosk promotion.
3. On January 4, 2019, Blue Chip’s Marketing Secretary submitted a notice under the blanket kiosk promotion for the January Host Earn & Get Slot Dollars Kiosk promotion. This notice included events taking place on January 3, 10, 17, 24 and 31, 2019. The Promotions/Compliance Coordinator approved the January Host Earn & Get Slot Dollars Kiosk notice on January 4, 2019. Blue Chip conducted the event on January 3, 2019 without Commission review and approval.
4. On January 4, 2019, Blue Chip’s Marketing Secretary submitted a notice under the blanket kiosk promotion for the Wednesday Buffet/Kiosk promotion. This notice included events taking place on January 2, 9, 16, 23 and 30, 2019. The Promotions/Compliance Coordinator approved the Wednesday Buffet/Kiosk notice on January 8, 2019. Blue Chip conducted the event on January 2, 2019 without Commission review and approval.
5. On December 13, 2018, the Commission’s Promotions/Compliance Coordinator approved a blanket Direct Mail and Email Program promotion.
6. On January 4, 2019, Blue Chip’s Marketing Secretary submitted a notice under the blanket Direct Mail and Email Program promotion for the New Year’s Hidden Slot Dollars promotion. This notice included events that would take place on January 1, 2019. The Promotions/Compliance Coordinator approved the New Year’s Hidden Slot Dollars

promotion on January 7, 2019. Blue Chip conducted the event on January 1, 2019 without Commission review and approval.

COUNT II

7. 68 IAC 1-5-1(10) 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 apparent criminal activity taking place at the casino. A casino licensee shall submit the notice required under this subdivision to a gaming agent in addition to submitting it to the executive director.
8. On December 17, 2018 at approximately 12:21 p.m., a Security Shift Supervisor notified a Gaming Agent that a patron had reported a lost wallet at approximately 10:00 pm the night before. The Security Shift Supervisor also stated that the patron claimed he had reported the lost wallet to Security Dispatch but he had not been informed of the lost wallet when he arrived on shift that morning. The patron claimed he had left his wallet near the automated roulette game.

It was determined that the lost wallet had not been reported to surveillance, but upon review of coverage, surveillance was able to determine that the wallet had been left on a chair on December 16, 2018 at approximately 10:32 p.m. Surveillance also confirms a female patron appeared to notice the wallet, sat down on the wallet and the wallet disappeared when the female patron left the area. The female patron proceeded to the restroom where she remained for four (4) minutes. Surveillance also observed the patron report his lost wallet to Security Dispatch at approximately 12:34 a.m. on December 17, 2018. The Security Officer told the patron that a wallet had not been turned in and asked if he knew where he left the wallet. The patron gave a detailed description of where he thought he lost the wallet. It is unknown if the Security Officer reported this to the Security Shift Supervisor.

The failure of Security to report the lost wallet to surveillance resulted in a failure to timely report potential criminal activity to Gaming Agents.

COUNT III

9. Ind. Code 4-33-4-27 (b)(2) states that if a licensed owner is required to file Form W-2G or a substantially equivalent form with the United States Internal Revenue Service for a patron who is delinquent in child support, before payment of cash winnings to the person, the licensed owner shall withhold the amount of delinquent child support owed from the cash winnings, transmit to the Child Support Bureau (i) the amount withheld for delinquent child support; and (ii). the patron's identifying information and then 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.

10. 68 IAC 11-9-2(a) states 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.
11. 68 IAC 11-1-3(c)(4) states 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.
12. 68 IAC 13-1-1(b)(2) and (3) states 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.
13. Blue Chip's approved internal control procedures, K. 23, describe the procedures for Child Support Arrears Delinquency Registry.
14. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (CSADR) for November 2018. The results of this audit were that three (3) patrons were not searched in the CSADR after winning a taxable jackpot.
15. On December 29, 2018, a Slot Shift Supervisor notified a Gaming Agent that a casino patron who owed child support won a jackpot. It was determined that the Slot Floor Person processing the winning jackpot ran the patron through CSADR. The CSADR produced a successful match but the Slot Floor Person proceeded to pay out the jackpot in the amount of \$1,334 to the patron and did not withhold the winnings. The paperwork for the successful match was placed in a bin next to the CSADR computer. Later that evening, the Slot Shift Supervisor discovered the paperwork for the successful match. Upon discovery of this paperwork, an attempt was made to retrieve the winnings from the patron but the patron refused to do so.

COUNT IV

16. 68 IAC 15-12-3 dictates the manner in which live gaming device fills shall proceed.
17. On November 24, 2018, a Casino Shift Manager notified a Gaming Agent that a table fill violation had occurred. A table fill had been sent to a table \$10,000 short of the requested amount. The Dealer and Floor Supervisor accepted the fill at the table. The Floor Supervisor later realized that the fill was incorrect and took steps to rectify the error.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Blue Chip by and through its Agents as described herein constitute a breach of IC 4-33, 68 IAC and/or Blue Chip's approved internal control procedures. The Commission and Blue Chip hereby agree to a monetary

settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Blue Chip.

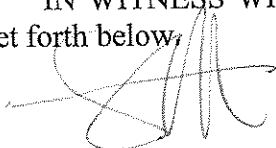
Blue Chip shall pay to the Commission a total of \$6,500 (\$1,500 for Count I, \$500 for Count II, \$3,000 for Count III and \$1,500 for Count IV) and the submission of a corrective action plan for the Cage and Security Departments for proper completion and verification of live gaming device fills in 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, Blue Chip agrees to promptly remit payment in the amount of \$6,500 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 Blue Chip.

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



Brenda Temple, V.P. and Gen. Mgr.
Blue Chip Casino, LLC

3/5/19

Date

2.26.19

Date