

**ORDER 2020-117
IN RE SETTLEMENT AGREEMENT**

**EVERI PAYMENTS, INC.
20-EVERI-02**

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 23rd DAY OF NOVEMBER, 2020.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
) **SETTLEMENT**
EVERI PAYMENTS, INC.) **20-EVERI-02**
)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Everi Payments, Inc. (“Everi”) (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 to the following:

FINDINGS OF FACT

COUNT I

1. 68 IAC 2-2-1(d) provides the applicant's key persons, substantial owners, and any other persons deemed necessary to allow the commission to ensure the applicant meets the statutory criteria for licensure set forth in IC 4-33, IC 4-35, and this title must complete and submit a Personal Disclosure Form 1 (PD1) application for occupational license under 68 IAC 2-3-1.
2. 68 IAC 2-2-6.1(d) provides except as outlined in this section, occupational licensing of an employee, independent contractor, agent, or subagent of a supplier licensee shall be governed by 68 IAC 2-3.
3. 68 IAC 2-3-1(j)(5) provides any employee of a riverboat gambling operation whom the commission deems necessary, to ensure compliance with the Act and this title, to hold an occupational license, Level 2.
4. 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.
5. The Commission is charged with making licensing determinations for the employees of the Indiana casinos and licensed suppliers based off the regulations outlined in the Indiana Administrative Code. The need for licensure is determined by Commission staff through the job description and an organizational chart submissions by the casino or supplier. Submissions must be sent to the Commission’s Gaming Administrator for review and approval prior to implementation.

6. On February 4, 2020, the Commission's Director of Financial Investigations notified Everi that it was due for a three (3) re-investigation and requested certain information be provided to the Commission's Investigation Division.
7. On February 12, 2020, Everi provided the corporate structure, the organizational chart and the shareholders list.
8. On February 12, 2020, the Commission's Director of Background Investigations requested the job description for the Senior Vice President of Gaming Operations who was currently unlicensed. Everi subsequently provided the job description.
9. On February 17, 2020, the Commission's Director of Background Investigations notified Everi that the Senior Vice President of Gaming Operations would need to be licensed as a Level 1 licensee and the Level 1 license application must be submitted to the Commission within thirty (30) unless an extension was granted.
10. On February 18, 2020, Everi requested clarification on the Commission arrived at the licensing level determination.
11. On February 19, 2020, the Commission's Director of Background Investigations advised that the level of oversight and control conveyed in the job description warranted a Level 1 license in Indiana.
12. On March 13, 2020, Everi requested an extension on the submission of the Level 1 license application which was granted by the Commission.
13. On March 18, 2020, outside counsel for Everi requested if Everi could resubmit the job description if they did not believe it was a true reflection of the Senior Vice President of Gaming Operations duties. The Commission agreed to review a revised job description.
14. On July 6, 2020, the Commission Gaming Administrator identified that the Commission had not received the application or the amended job description.
15. On July 9, 2020, the amended job description was received.
16. On July 13, 2020, Commission staff made a determination that this position could be licensed as a Level 2. Everi made no effort to comply with the Commission's request to submit an amended job description or submit the license application until the Commission reached out.

COUNT II

17. 68 IAC 2-2-6.1(d) provides, in relevant part, that occupational licensing of an employee, independent contractor, agent, or subagent of a supplier licensee shall be governed by 68 IAC 2-3.
18. 68 IAC 2-3-9.2(b)(1) provides the occupational licensee to notify the Commission of separation on a form prescribed or approved by the Commission.
19. 68 IAC 2-3-9.2(c) provides the notification must be submitted to the Commission within fifteen (15) days of the occurrence of the change or action.
20. On September 14, 2020, the Commission's Gaming Administrator was notified that three (3) employees had been terminated at Everi: two (2) technicians and (1) trainer. The two technicians separated on July 1, 2020 and August 14, 2020, respectively. The trainer separated on July 1, 2020.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Everi by and through its agents as described herein constitute a breach of IC 4-33, IC 4-35, and/or 68 IAC. The Commission and Everi hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Everi.

Everi shall pay to the Commission a total of \$4,500 (\$1,500 for Count I and \$3,000 for Count II) 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, Everi agrees to promptly remit payment in the amount of \$4,500 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 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 Everi.

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



Harper Ko, Executive Vice
President, Chief Legal Officer and
General Counsel
Everi Payments, Inc.

Date

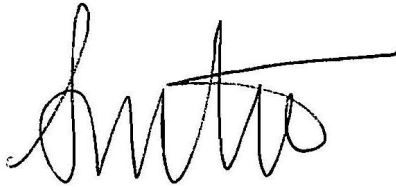
11/9/2020

Date

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This Agreement shall be binding upon the Commission and Everi.

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

11/20/20

Date

Harper Ko, Executive Vice
President, Chief Legal Officer and
General Counsel
Everi Payments, Inc.

Date