

**ORDER 2023-140  
IN RE SETTLEMENT AGREEMENT**

**CENTAUR ACQUISITION, LLC  
d/b/a HORSESHOE INDIANAPOLIS  
23-HI-03**

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

**APPROVED**

---

APPROVES OR DISAPPROVES

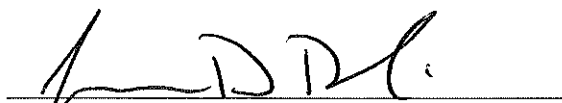
the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS THE 15<sup>th</sup> DAY OF SEPTEMBER, 2023.**

**THE INDIANA GAMING COMMISSION:**

  
\_\_\_\_\_  
Milton O. Thompson, Chair

ATTEST:

  
\_\_\_\_\_  
Jason Dudich, Secretary

STATE OF INDIANA  
INDIANA GAMING COMMISSION

IN RE THE MATTER OF:	)	
	)	SETTLEMENT
CENTAUR ACQUISITION, LLC	)	23-HI-03
d/b/a HORSESHOE INDIANAPOLIS	)	
	)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Greg Small and Centaur Acquisition, LLC d/b/a Horseshoe Indianapolis, (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 4-35-7-2 provides except as provided in subsection (c), a person who is less than twenty-one (21) years of age may not be present in the area of a racetrack where gambling games are conducted.
2. 68 IAC 1-11-1(c) states a person under twenty-one (21) years of age shall not be present in a casino.
3. On May 3, 2023, Security notified Gaming Agents that a possible underage person was on the casino floor. Security explained that they believed an Asian female to be under twenty-one (21) years of age. The female patron had told Security that she did not have any identification on her person, but she had a photograph of her identification card.
4. A review of surveillance coverage determined that the female patron and her father attempted to enter the casino initially at 15:39 at the main entrance and were stopped by a Security Officer. Both patrons exited the casino and walked towards the parking garage. Approximately three (3) minutes later, both individuals enter the casino from the garage entrance and were not carded by Security. The underage person was identified when she attempted to order an alcoholic drink at the Center Bar but was denied by the Bartender when she could not produce an identification.

COUNT II

5. 68 IAC 11-7-1(b) provides for the purposes of this rule, “sensitive keys” means keys that either management or the commission considers sensitive to the casino licensee’s operation and therefore require strict control over custody and issuance.

6. 68 IAC 11-7-3(b) provides that sensitive keys shall be returned to custody and signed in by the same occupational licensee they were issued to unless there is a documented change of shift.
7. On April 17, 2023, an Assistant Table Games Manager notified Gaming Agents that a Floor Supervisor had not returned a set of sensitive keys prior to leaving property. The key set contained the following keys: podium key, roulette chip cover key, roulette cover padlock, craps table cover, chip tray cover, table games storage and roulette wheel cover. The keys were off property for approximately seven (7) hours.
8. On June 5, 2023, Security notified Gaming Agents that a Cage Cashier had left property with a set of sensitive keys. The set of keys contained the key to the Poker Room bank padlock. The keys were off property for one (1) hour and fifty-three (53) minutes.

### COUNT III

9. 68 IAC 11-1-2 and 68 IAC 15-1-2 provides the purpose of the accounting records and procedures is to ensure the following: (1) The assets of the casino licensee or casino license applicant are safeguarded. (2) The financial records of the casino licensee or casino license applicant are accurate and reliable. (3) The transactions of the casino licensee or casino license applicant are performed only in accordance with the specific or general authorization of IC 4-33, IC 4-35, and this title. (4) The transactions are recorded adequately to permit the proper recording of the adjusted gross receipts, admission fees, and applicable taxes. (5) That accountability for assets is maintained in accordance with generally accepted accounting principles. (6) That only authorized personnel have access to assets. (7) That recorded accountability for assets is compared with actual assets at reasonable intervals and appropriate action is taken with respect to discrepancies. (8) That: (A) the functions, duties, and responsibilities are appropriately segregated and performed in accordance with sound practices by competent, qualified personnel; and (B) no employee of the casino licensee is in a position to perpetuate and conceal errors or irregularities in the normal course of the employee's duties. (9) That gaming is conducted with integrity and in accordance with IC 4-33, IC 4-35, and this title.
10. 68 IAC 15-2-6 provides that the following information shall, at a minimum, be included on the currency transaction report: (1) Part I. Section A. The patron or organization for whom the transaction was completed, including the following information: (A) Patron's last name, first name, and, if provided, middle initial. (B) The last four (4) digits of the patron's Social Security number. (C) Name of organization and employer identification number if the transaction is being conducted on behalf of a business or organization. (D) If the patron is an alien or nonresident of the United States, the passport number or alien registration number, or both, and issuing country for both. (E) Complete address of the patron, including the number and street, city, state, zip code and country if not in the United States. (F) Patron's date of birth. (G) Type and number of identification used to verify patron's identity. (H) Patron's account number. Include the patron's account number if an account relationship has been established between the patron and the casino or the deposit receipt number. (2) Part I. Section B. Identity of agent conducting the transaction (complete only if an agent conducts a transaction for the person), including

the following information: (A) Agent's last name, first name, and, if provided, middle initial.

11. Horseshoe Indianapolis' approved internal control procedures, Y-2, describe the Poker Table Inventory Procedures.
12. Horseshoe Indianapolis' approved internal control procedures, U-10, describe the issuance of fills to poker tables.
13. Horseshoe Indianapolis' approved internal control procedures, U-11, describe the issuance of credits to poker tables
14. Horseshoe Indianapolis' approved internal control procedures, Y-7, describe the Storage of Non-Value Tournament Chips.
15. Horseshoe Indianapolis' approved internal control procedures, U-11, describe the procedures for Computerized Credits for Table Games.
17. Horseshoe Indianapolis' approved internal control procedures, Y-6, describe the procedures for the Poker Bank.
18. On April 26, 2023, a Gaming Agent was assigned to investigate violations occurring in the Poker Room. On May 2, 2023, the Gaming Agent met with a Poker Room Shift Manager and requested to see the tournament chip inventory log. The Poker Room currently stores the non-value tournament chips in three locations. Two (2) sets being stored in the Poker Room podium on the casino floor and another set was being stored in the Poker Room Cage. These chips are branded as World Series of Poker Chips. The World Series of Poker chips are still boxed and have not been utilized in game play and remained in the original packaging. Since these chips had not been used and would not be used until there was a World Series of Poker tournament held on the property, there was no inventory completed on the chips and there was no inventory log for the chips. The chips have been in the possession of Horseshoe Indianapolis since March 9, 2023.
19. The Gaming also discovered that there were value chips being stored in the same locked cabinet. The storage cabinet was not part of a working or active bank that is balanced on a regular basis. The Poker Room Shift Manager advised that these chips were removed from several tables to make room for the non-value tournament chips to be put on the tables at a later time. The chips were credited from the table and were being stored in the locked cabinet. The Gaming Agent reminded the Poker Shift Manager that if they were crediting a table, they were required to follow the rules for performing a table credit and ensure proper accounting for the chips at all times.
20. At this time, the Gaming Agent inquired with the Poker Shift Manager if he had read the internal controls for the Poker Room. The Poker Shift Manager acknowledged that he had read some of them but not all of them. The Gaming Agent further inquired if much of the operational and procedural processes were being taught to the Poker Room staff without

a review of the internal controls. The Poker Shift Manager acknowledged that this was the case.

21. The Gaming Agent also spoke with a Floor Supervisor for the Poker Room. The Floor Supervisor also acknowledged that he had not read the internal control completely and also provided that the record keeping in the Poker Cage was lax. The Floor Supervisor also advised that the way they tracked player card was concerning to him. The Floor Supervisor even inquired with the Gaming Agent about who wrote the internal controls.
22. On April 23, 2023, two (2) Floor Supervisors completed a chip credit in the Poker Room. \$600 was credited from the table and the paperwork was completed for the credit manually and dropped into the drop box at the table. The \$600 was taken to the Poker Room Cage. The chips were not placed in any bank and not accounted for in the balance of either bank in operation in the Poker Cage. Approximately five (5) minutes later, a Floor Supervisor unlocked a cabinet in the Poker Cage and placed the chips into the cabinet and locked it. No paper was placed into either Poker Bank Cage drawer. The cabinet the chips were placed in also had non-value tournament chips. These procedures do not comply with Horseshoe Indianapolis' approved internal controls.
23. Between April 24, 2023 and April 30, 2023, similar violations continued to occur while conducting chip credits and chip fills in the Poker Room and Poker Cage. Additionally, the Gaming Agent's review of the Tournament Chip Inventory Log determined that the internal control was not being followed. There were five (5) instances where staff violated the required procedures for fills and credits.
24. While observing surveillance coverage, a Gaming Agent also determined there was a violation of unsecured funds in the Poker Cage on April 24, 2023. The surveillance review also determined there were numerous occurrences of money handling procedural violations resulting in obstructed views of camera coverage where funds could not be clearly identified.
25. The Gaming Agent also observed violations following a Poker Tournament on April 30, 2023. This included not properly identifying individuals as they were paid out at a level over the required amount to trigger a currency transaction report. In some instances, identifications were not checked, verified or found to be on file. The following transactional violations occurred: 1) A patron won a prize of \$17,350. No identification was checked or verified. No information was logged on this individual for over an hour after the transaction was completed. 2) A patron won a prize of \$19,200. The patron was paid on April 30, 2023 but no recorded in Title 31 until May 10, 2023. 3) A patron won a prize of \$20,220. The patron was paid on April 30, 2023 but no recorded in Title 31 until May 10, 2023. 4) A patron won a prize of \$10,615. The patron was paid on April 30, 2023 but no recorded in Title 31 until May 10, 2023. 5) A patron won a prize of \$10,524. No identification was obtained from the patron at the time of the transaction. A valid identification was not obtained until May 12, 2023. 6) A patron won a prize of \$12,385. No identification was found to be on file for the patron at the time of the transaction.

26. Horseshoe Indianapolis violated the procedures for storage of chips, maintenance of the inventory log, had improperly trained staff, violated table and credit procedures six times, had unsecured funds and six instances where they failed to properly following procedures for tournament winners in accordance with the currency transaction reporting requirements.
27. 68 IAC 15-10-5 provides the casino licensee shall establish policies and procedures for the even exchange of funds between two (2) casino cashiering areas or between a casino cashiering area and change banks, which shall include the following: (1) A designation of the occupational licensee who may process the even exchange transaction. (2) A description of the even exchange form and the required information and signatures. The form shall be at least a two (2) part form. (3) A description of the distribution of each part of the form. (4) Types of items allowed to be exchanged. (5) Requirement that security personnel must accompany the transfer of the funds between locations. (6) Any other policy or procedure deemed necessary by the executive director or commission to ensure compliance with IC 4-33, IC 4-35, and this title.
28. Horseshoe Indianapolis' approved internal control procedures, Y-6, describe the procedures for the Poker Bank.
29. On June 7, 2023, Surveillance notified Gaming Agents that a Dual Rate Floor Supervisor/Dealer failed to notify surveillance while leaving the employee service window with \$900 in chips to be delivered to the Poker Cage.
30. On June 14, 2023, a Gaming Agent was assigned to investigate an even exchange violation. There were two (2) separate incidents where a Dealer failed to verify an incoming chip fill. The even exchanges were occurring between a Poker table and the Poker Cage. One (1) resulted in a table being over \$35 and the other resulted in a table being short \$100.

#### COUNT IV

31. 68 IAC 15-1-4.1 provides unless otherwise provided in this title, if an occupational licensee finds chips, TITOs, cash, or cash equivalents in the casino, the occupational licensee must turn the chips, TITOs, cash, or cash equivalents into the appropriate area of the main bank of the casino licensee. The casino licensee shall maintain the chips, TITOs, cash, or cash equivalents for a period of at least twenty (20) days to determine if a patron will claim the chips, TITOs, cash, or cash equivalents. If the chips, TITOs, cash, or cash equivalents are not claimed by a patron, the casino licensee shall institute one (1) of the following policies with respect to unclaimed chips, TITOs, cash, or cash equivalents turned in by occupational licensees: (1) If the chips, TITOs, cash, or cash equivalents are not claimed by a patron, the chips, TITOs, cash, or cash equivalents must be included in the drop on the gaming day the waiting period expires. (2) The casino licensee shall handle the chips, TITOs, cash, or cash equivalents not claimed by a patron in accordance with a policy submitted by the casino licensee to the commission audit director and that has been approved by the executive director. The casino licensee must disseminate this

rule to all occupational licensees employed by the casino licensee or occupational licensees employed by another company but assigned to perform their duties at the casino licensee's casino gambling operation. 68 IAC 14-5.5-5 provides approved TITOs shall be: (1) capable of insertion into an electronic gaming device in the casino to activate play; (2) available as a payout from an electronic gaming device; (3) redeemable by the patron in accordance with IC 4-33, IC 4-35, and this rule; and (4) capable of being used as tips and gratuities for gaming and nongaming employees.

32. Horseshoe Indianapolis' approved internal control procedures, Section E-13, describe the procedures for Ticket In Ticket Out ("TITO").
33. Horseshoe Indianapolis' approved internal control procedures, U-16, describe the table game drop box characteristics.
34. On April 30, 2023, a Count Room Supervisor notified Gaming Agents that the count team discovered a \$.25 TITO ticket in a table game drop box. A patron left the TITO at the table and a Dealer ultimately placed the TITO in the drop box.
35. On May 6, 2023, a Count Room Supervisor notified Gaming Agents that the count team discovered two (2) TITO tickets in a table game drop box. A review of surveillance coverage found that a Dealer dropped both TITO's in the drop box and was observed doing so by Table Games Management.
36. On June 12, 2023, a Lead Count Room Attendant notified Gaming Agents that a \$2.50 chip was found in the table game drop box. A review of surveillance coverage discovered that a patron placed a \$2.50 chip next to his trips wager. The patron eventually folded his hand, and the Dealer placed the \$2.50 chip in the float tray. This is the only \$2.50 chip in the float. Another Dealer later in the evening was observed placing the chip in the drop box.
37. On June 17, 2023, a Count Room Manager notified Gaming Agents that the count team discovered a \$.52 TITO ticket in a table game drop box. A review of surveillance coverage found that a patron handed the TITO ticket to a Dealer and the Dual Rate Floor Supervisor appeared to instruct the Dealer to place the TITO in the drop box.

#### COUNT V

38. 68 IAC 11-4-4(a) provides 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.

39. On January 28, 2023, Surveillance notified Gaming Agents that a table closer error had occurred. The table inventory closer slip showed \$9,700 in black \$100 chips, however, the physical inventory was \$7,700 in black \$100 chips.
40. On February 19, 2023, an Assistant Table Games Shift Manager notified Gaming Agents that a table closer error had occurred. The table inventory closer slip showed \$21,500 in purple \$500 chips, however, the physical inventory was \$21,000 in purple \$500 chips.
41. On February 24, 2023, a Table Games Supervisor notified Gaming Agents that a table closer error had occurred. The table inventory closer slip showed \$2,100 in green \$25 chips, however, the physical inventory was \$2,600 in green \$25 chips.
42. On April 14, 2023, an Assistant Table Game Shift Manager notified Gaming Agents that a table closer error had occurred. The table inventory closer slip showed \$24,000 in purple \$500 chips, however, the physical inventory was \$22,000 in purple \$500 chips.
43. On April 20, 2023, an Assistant Table Game Shift Manager notified Gaming Agents that a table closer error had occurred. The table inventory closer slip showed \$4,350 in green \$25 chips, however, the physical inventory was \$3,850 in green \$25 chips.
44. On April 23, 2023, an Assistant Table Game Shift Manager notified Gaming Agents that a table closer error had occurred. The table inventory closer slip showed \$16,000 in purple \$500 chips, however, the physical inventory was \$16,500 in purple \$500 chips.
45. On April 24, 2023, an Assistant Table Game Shift Manager notified Gaming Agents that a table closer error had occurred. The table inventory closer slip showed \$25,000 in purple \$500 chips, however, the physical inventory was \$24,500 in purple \$500 chips.
46. On April 24, 2023, a Table Games Supervisor notified Gaming Agents that a table closer error had occurred. The table inventory closer slip showed \$15,500 in purple \$500 chips, however, the physical inventory was \$15,000 in purple \$500 chips.
47. On May 4, 2023, an Assistant Table Game Shift Manager notified Gaming Agents that a table closer error had occurred. The table inventory closer slip showed \$23,500 in purple \$500 chips, however, the physical inventory was \$24,000 in purple \$500 chips.
48. On May 15, 2023, an Assistant Table Game Shift Manager notified Gaming Agents that a table closer error had occurred. The table inventory closer slip showed \$9,900 in black \$100 chips, however, the physical inventory was \$10,400 in black \$100 chips.



49. On May 27, 2023, a Table Games Supervisor notified Gaming Agents that a table closer error had occurred. The table inventory closer slip showed \$23,239 in chips, however, the physical inventory was \$33,239 in chips.

## COUNT VI

50. 68 IAC 2-3-1(f) provides an employee of a riverboat gambling operation who does not hold an occupational license shall not perform any duties on the riverboat at any time.
51. 68 IAC 11-3-3(c)(2) provides access to the soft count room shall be restricted to the following individuals:
- (A) Members of the soft count team.
  - (B) Members of the currency collection team.
  - (C) Maintenance personnel and supervisors who are accompanied by security personnel for problem resolution.
  - (D) The internal auditor or equivalent, accompanied by security personnel, to verify the accuracy of the count machine.
  - (E) Security personnel in conjunction with official duties.
  - (F) Main bank employees in conjunction with official duties reconciling the soft count.
  - (G) Enforcement agents in the performance of official duties.
  - (H) Individuals specifically authorized by the commission or enforcement agents
52. 68 IAC 15-6-4(b) provides vendors and visitors must report to security to complete the vendor and visitor log and to obtain a badge. When the vendor or visitor leaves the casino, the vendor or visitor must complete the appropriate portion of the log.
53. 68 IAC 15-6-4(e) provides the vendor and visitor log shall contain the following information:
- (1) The name of the vendor or visitor.
  - (2) The company or organization the vendor or visitor represents.
  - (3) The date and time the vendor or visitor entered the casino.
  - (4) The purpose that necessitates the vendor or visitor entering the casino.
  - (5) The date and time that the vendor or visitor exits the casino. The casino licensee is responsible for instituting a policy that ensures that vendor and visitor badges are returned to the security department and accounted for when the vendor or visitor exits the casino.
  - (6) If the person is a visitor, the individual who authorized the visitor's presence in the casino.
  - (7) Any other information deemed necessary by the executive director or the commission to ensure compliance with IC 4-33, IC 4-35, and this title.
54. On January 24, 2019, the Commission issued a memorandum to all casino licensees on occupational licenses and the usage of the vendor log which states vendor and visitor badges are not to be utilized by those who hold or should hold an individual license. If individuals referenced above attempt to access the gaming floor using a vendor or visitor

badge, casino staff should assist in the matter by refusing entry and directing the individuals to local Gaming Agents for assistance.

55. Horseshoe Indianapolis' approved internal control procedures, I-3, describes the general Security procedures.
56. On May 1, 2023, the Senior Security Operations Manager notified Gaming Agents that a suspended employee was allowed through the turnstiles at the employee entrance and proceeded to the Human Resources Department. A review of surveillance coverage determined that the suspended employee attempted to scan his gaming badge but was not granted access to the inner employee entrance door. The suspended employee subsequently followed a Steward and Cook through the entrance and proceeded to wardrobe. The suspended employee then spoke with the Security Officer at Security Dispatch who then appeared to press a button to release the turnstile and the suspended employee proceeded through to the Human Resources office. A Human Resources employee ultimately escorted him off the property.
57. On June 22, 2023, Surveillance notified Gaming Agents that an unlicensed table games employee was allowed to enter the back of house area through the doors at Human Resources with an Assistant Table Games Shift Manager. The employee was not issued a temporary badge by Security.
58. On May 10, 2023, a Gaming Agent completed the vendor log audit for April 2023. On April 19, 2023, an individual from Patriot Gaming was issued a visitor badge and allowed to enter the count room without an occupational license. The individual was in the count room during the installation of a new count machine. It was later determined that this was a sales rep observing the install. A sales rep is not authorized to be in the count room.

### TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Horseshoe Indianapolis by and through its agents as described herein constitute a breach of IC 4-35, IC 4-38, 68 IAC and/or Horseshoe Indianapolis's approved internal control procedures. The Commission and Indiana Grand hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Horseshoe Indianapolis.

Horseshoe Indianapolis shall pay to the Commission a total of \$41,000 (\$1,500 for Count I, \$3,000 for Count II, \$25,000 for Count III, \$2,000 for Count IV, \$5,500 for Count V and \$4,000 for Count VI) 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 each Count 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, Horseshoe Indianapolis agrees to promptly remit payment in the amount of \$41,000 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.

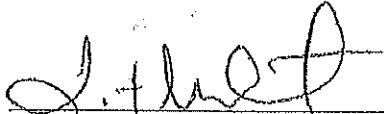
This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile, or other electronic signature by 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 Horseshoe Indianapolis.

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

9/7/2023  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Trent McIntosh, SVP & General Manager  
Centaur Acquisition, LLC

9/6/2023  
\_\_\_\_\_  
Date