

**ORDER 2023-71
IN RE SETTLEMENT AGREEMENT**

**AMERISTAR CASINO EAST
CHICAGO, LLC
23-AS-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 15th DAY OF JUNE, 2023.

THE INDIANA GAMING COMMISSION:


Milton O. Thompson, Chair

ATTEST:


Charles Cohen, Commissioner

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
AMERISTAR CASINO EAST)	23-AS-02
CHICAGO, LLC)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Greg Small and Ameristar Casino East Chicago, LLC (“Ameristar”), (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 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.
2. 68 IAC 11-1-3(c)(4) provides 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.
3. 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.
4. Ameristar’s approved internal control procedures, C-18, describe the procedures for the Child Intercept Process.
5. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (“CSADR”) for March 2023. 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

6. 68 IAC 2-6-34(a) provides the casino licensee must maintain a record of the amount shown on a progressive jackpot meter.
7. Ameristar East Chicago was granted a waiver on January 11, 2021, to perform weekly progressive audits. A previous waiver had required daily verification of progressives.

8. On March 10, 2023, a Casino Operations Tech Manager notified Gaming Agents that an electronic gaming device (“EGD”) lost power and was placed back into service with the incorrect progressive amount.
9. On September 11, 2022, the EGD lost power and went into an error. A Slot Tech replaced a bad progressive chip which carried over the incorrect progressive amount as well as an incorrect reset amount. The Slot Tech noted on the pass down notes that the EGD needed the progressive amount to be verified. The EGD was not included on the down list, so a different Slot Tech verified the progressive was incrementing and put the EGD back in play. The Casino Operations Tech Manager advised that the pass down notes were notes from the Slot Tech Supervisor that were submitted via e-mail to the next Slot Tech shift. The pass down notes provide the work that was completed on that shift and the work that still needs to be completed on EGDs.
10. On September 4, 2022, the actual progressive reading was \$179,191.44.
11. On September 11, 2022, the EGD lost power and the progressive reading estimate was \$179,191.44.
12. On September 13, 2022, the Slot Tech placed the EGD back into service after checking the progressive was incrementing but did not perform a verification of the progressive amount.
13. On September 18, 2022, the progressive reading on the EGD was \$12,070.89.
14. On January 16, 2022, the progressive reading on the EGD was \$14,832.36.
15. On January 24, 2023, the EGD was placed out of service with a progressive reading of \$15,016.90.
16. The Gaming Agent met with the Revenue Audit Manager to go over how the progressive readings were checked and how this was missed. The Revenue Audit Manager advised that progressive readings were performed by Revenue Audit on Monday’s, however, due to staffing shortages some of the readings were done on Tuesday’s. The Revenue Audit Manager stated that progressive readings were often performed by a different staff member each week. The Revenue Audit Manager believed there was a misassumption made when the progressive reading took place on September 18, 2022, for \$12,070.89. Revenue Audit assumed that the staff member adding the data into the computer was missing a numeric digit and just incremented the progressive amount by adding the eight (8) to the reading so that it read \$182,070.89. This continued in this matter until it was determined on January 23, 2023, that the progressive amount appeared to be off. The progressive meter was incorrect for four (4) months. No progressive jackpots were won during this time. Revenue Audit and the Slot Department have implemented new procedures due to this incident.

17. 68 IAC 2-6-6(c) provides the requirements for converting an electronic gaming device.
18. 68 IAC 17-1-3 provides the casino licensee shall use the commission's electronic gaming device database as prescribed by the commission.
19. On March 13, 2023, a Gaming Agent was assisting two (2) patrons with filing a complaint when it was discovered that the percentages on two (2) EGDs were set incorrectly. The Gaming Agent reviewed the EGD settings with the Slot Project Assistant Manager ("SPAM") and inquired if the EGD had the wrong percentages. The SPAM advised that the Baccarat game had the wrong percentage but since the game itself had four (4) games, he would have to do an average of all four (4) games to know for certain. The SPAM performed an average of all four (4) game themes and determined that the Baccarat percentages were set incorrectly. The percentages for Craps, Blackjack and Roulette were correct. The SPAM advised that these two (2) EGDs likely lost power and needed to be RAM cleared. The SPAM believed that the Slot Technician did not properly set the EGD back to its original settings for Baccarat and advised that the other three (3) themes would not be affected by the RAM clear as they all had identical percentages.

COUNT III

20. 68 IAC 6-3-4(b)(3) requires internal controls for refusing wagers from and denying gaming privileges to any voluntarily excluded person.
21. 68 IAC 6-3-4(e)(3) provides a casino licensee shall be subject to disciplinary action under 68 IAC 13 for failure to comply with the requirements of this section and the internal control procedures outlined under this section, including, but not limited to, failure to follow internal control procedures adopted under this rule.
22. Ameristar East Chicago's approved internal control procedures, M-1.1, describe the procedures for the Voluntary Exclusion Program ("VEP").
23. On January 1, 2023, a Gaming Agent performed a VEP audit for December 2022. The purpose of the audit was to ensure that Ameristar had properly restricted any new VEP participants, removed all participants that requested removal and made all necessary updates as received by Commission staff.
24. The results of this audit found the following: 1) Ameristar failed to include the driver's license number for five (5) VEP participants, 2) Ameristar failed to restrict three (3) VEP participants, 3) Ameristar failed to note that the person was a VEP participant in their account for five (5) participants and 4) For the eight (8) removals, Ameristar removed the flag but still indicated in the notes that the person was a VEP participant.
25. On February 1, 2023, a Gaming Agent performed a VEP audit for January 2023.

26. The results of this audit found the following: 1) One (1) VEP participant had no flag and all of his information was wrong and 2) Two (2) VEP participants had the wrong driver's license number.
27. On March 1, 2023, a Gaming Agent performed a VEP audit for February 2023.
28. The results of this audit found that one (1) VEP participant was not flagged in the system.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Ameristar by and through its agents as described herein constitute a breach of IC 4-33, IC 4-38, 68 IAC, and/or Ameristar's approved internal control procedures. The Commission and Ameristar hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Ameristar.

Ameristar shall pay to the Commission a total of \$15,250 (\$1,000 for Count I, \$7,500 for Count II and \$6,750 for Count III) 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, Ameristar agrees to promptly remit payment in the amount of \$15,250 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.

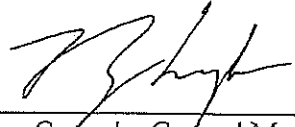
This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile, or other electronic signature by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

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



Ryan Coppola, General Manager
Ameristar Casino East Chicago, LLC

6/15/2023
Date

6/6/2023
Date