

**ORDER 2009-55  
IN RE SETTLEMENT AGREEMENT**

**HORSESHOE HAMMOND, INC  
09-HH-01**

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

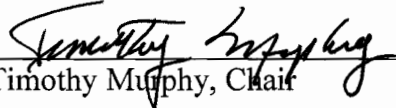
*Approves*

\_\_\_\_\_  
APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS THE 19<sup>th</sup> DAY OF MARCH, 2009.**

**THE INDIANA GAMING COMMISSION:**

  
\_\_\_\_\_  
Timothy Murphy, Chair

ATTEST:

  
\_\_\_\_\_  
Thomas Swihart, Secretary

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

<b>IN RE THE MATTER OF:</b>	)	
	)	<b>SETTLEMENT</b>
<b>HORSESHOE HAMMOND, LLC</b>	)	<b>09-HH-01</b>
	)	

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Horseshoe Hammond, LLC (“Horseshoe”) (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 12-1-5 (f)(6)(B) states that electronic gaming device surveillance should have dedicated coverage for the progressive display showing the incrementation of the progressive jackpot for an electronic gaming device or a bank of electronic gaming devices.
2. On July 2, 2008, relief of the above rule was granted to Horseshoe based on their statement that the progressive meter amounts would be manually logged and audited daily. In addition the casino agreed to utilize technology that would record the gaming data sent to the display controllers. This would allow the capturing of all progressive amounts and would store them for an extended period of time.
3. On August 24, 2008, a Gaming Agent was notified that a patron claimed to hit a jackpot; however, Slot Technicians were having difficulty finding documentation to support the patron’s claim. The Slot Tech Supervisor discovered that the patron had won enough credits to qualify for the progressive jackpot. While looking up the progressive amount on the slot machine, the machine went into a RAM error making it impossible to read the last progressive amount.
4. Surveillance was unable to review the footage since the amount of the progressive was under \$50,000 and a dedicated camera was not required for that progressive. The Slot Tech Supervisor attempted to locate the last progressive amount on the Slot Data System (SDS) which is a program that tracks the paid in and out amounts of the slot machines on the casino floor. The SDS showed zeros for this machine. Since they were unable to locate the exact amount of the progressive, the patron was compensated \$517.48 which was the current progressive amount

from a similar machine with the same denomination and in the same bank. The patron could not recall the amount of the jackpot.

5. On September 3, 2008, another Slot Tech Supervisor informed the Gaming Agent that the information for this particular slot machine would not be in the Paltronics system because the machine's information is kept internally. He also stated that an Atronics Technician did a RAM clear on the 24<sup>th</sup> of August, erasing the memory of the slot machine and made it impossible to check the play on the machine. The Gaming Agent Supervisor indicated that he attempted to ascertain the amount of the jackpot by speaking with the Internal Audit Department but he was told that there was no information available for this machine.

## COUNT II

6. 68 IAC 2-3-9.2 (b)(1) states riverboat licensees must advise the enforcement agent, on a form prescribed or approved by the commission, when the occupational licensee's employment with the riverboat licensee is terminated for any reason. The form must be submitted to the enforcement agent within fifteen (15) days of the occurrence of the change or action.
7. 68 IAC 2-3-9 (b)(2) states an occupational licensee shall cooperate with and provide truthful information to commission agents and staff during any investigation regarding criminal activity or regulatory violation, or both.
8. On August 1, 2007, a Horseshoe team member was terminated for poor attendance. The termination form was given to Gaming Agents on August 6, 2008, 370 days after original date of separation. On August 7, 2008, a Gaming Agent e-mailed the Sr. Human Resources Representative to inquire about the length of time that had elapsed between the termination of the employee and the notification to the IGC. The Sr. Human Resources Representative responded on August 8, 2008 by telephone stating that there was no rule violation and that she had submitted the termination in a timely fashion. She also stated that she could retrieve the information from the warehouse and submit it to the Gaming Agent.
9. On August 27, 2008, an email reminder was sent to the Sr. Human Resources Representative requesting that she submit documentation by the 29<sup>th</sup>. As of October 3, 2008, the Sr. Human Resources Representative had not returned the Gaming Agent's phone calls or responded to emails. The Sr. Human Resources Representative was uncooperative with his investigation. The HR Department found the employee's file in the warehouse but a termination form was not in it.
10. On February 2, 2008, a Database Analyst transferred to another property. The form was not signed by Human Resources until October 9, 2008, 8 months past the separation.

11. On June 30, 2008, the Director of Security was terminated for Performance: Violation of Conduct. The termination paperwork was not submitted until October 2, 2008, 95 days after the separation.
12. On December 10, 2008, a Gaming Agent received an IGC Occupational License Separation from Service or Suspension form from the Human Resources Department. The form indicated that a Beverage Server, who was issued a badge on December 12, 2007, had voluntarily resigned and never returned to work. According to a Senior Human Resources Representative, the employee had resigned shortly after being hired. The exact date is unknown since the employee's termination paperwork could not be found.

### **TERMS AND CONDITIONS**

Commission staff alleges that the acts or omissions of Horseshoe by and through its agents as described herein constitute a breach of the Riverboat Gambling Act, Title 68 of the Indiana Administrative Code and/or Horseshoe's approved internal control procedures. The Commission and Horseshoe hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Horseshoe. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

Horseshoe shall pay to the Commission a settlement of \$13,000 (\$5,000 for Count I and \$8,000 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 Horseshoe. 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, Horseshoe agrees to promptly remit payment in the amount of \$13,000 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 Horseshoe.

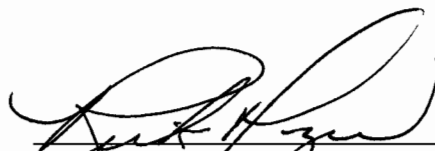
IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date and year as set forth below.



Ernest E. Yelton, Executive Director  
Indiana Gaming Commission

3.19.09

Date



Rick Mazer, Indiana Regional  
President and General Manager  
Horseshoe Hammond, LLC

3.13.09

Date