

**ORDER 2011-119
IN RE SETTLEMENT AGREEMENT
INDIANA GAMING COMPANY, L.P.
11-HW-03**

After having reviewed 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 2nd DAY OF JUNE, 2011.

THE INDIANA GAMING COMMISSION:

Timothy Murphy
Timothy Murphy, Chair

ATTEST:

Marc Fine
Marc Fine, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
INDIANA GAMING COMPANY, L.P.)	11-HW-03
)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Indiana Gaming Company, L.P. (“Hollywood”) (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 15-6-2 (a)(6) states should a riverboat licensee or operating agent choose to observe twenty-four (24) hour gaming, a patron count shall be computed at the end of each gaming day and shall include those patrons remaining on board the riverboat at the time of each new gaming day. The following four (4) counts will be recorded at the close of the gaming day:
 - (A) If applicable, the actual admissions ticket count.
 - (B) The patron ingress count.
 - (C) The patron egress count.
 - (D) If applicable, the total onboard count.At the close of the gaming day, boarding and exiting will be momentarily suspended to allow for taking patron counts. The onboard count shall be added to the new gaming day's ingress patron count. The recording, resetting, and onboard additions to the ingress patron count shall be completed in the presence of and observed by an enforcement agent. For admission tax reporting for twenty-four (24) hour gaming, the count shall be adjusted to account for and include the onboard count.
 - (7) The riverboat licensee or operating agent shall submit a patron count plan to the executive director at least sixty (60) days before the commencement of gambling operations. The riverboat licensee or operating agent shall submit changes to its patron count plan to the executive director at least thirty (30) days before any change goes into effect. The patron count plan shall include, but not be limited to, the following:

- (E) A description of the primary system that will be utilized to complete a patron count.
 - (F) The form that will be utilized to report the patron count.
2. The Commission Audit staff conducted an audit of the admissions tax at Hollywood after two incidents occurred in January 2011. In the first incident twenty three patrons did not exit the casino through the turnstiles and in the other incident two patrons entered through the exit turnstiles.
 3. On February 17, 2011 it was disclosed that the formula to add the holdover count was set to add only the manual count instead of the higher of the turnstile count or the manual count for holdovers. On March 8, 2011 the RG-1 filed by Hollywood for gaming day March 6, 2011 included a schedule E adjustment of \$66,810. The Admissions Tax adjustment was computed based on the days the Turnstile Holdover count exceeded the Manual Holdover count during the period of August 21, 2009 until February 17, 2011. The Audit staff was informed that the admission tax calculation was changed in August of 2009, thus creating incorrect calculations on 325 days.

COUNT II

4. 68 IAC 11-4-4(e) states 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.
5. On April 13, 2011 a Gaming Agent was advised of a float lid left unsecured at a table game. Surveillance review showed that the Dealer and Table Games Supervisor failed to sign the closing slip and distribute the paperwork and did not lock the float lid. The float was left unsecured for approximately ten minutes.

COUNT III

6. Pursuant to IC 4-33-9-12 and 68 IAC 1-11-1(c), a person who is less than twenty-one (21) years of age may not be present in the area of a riverboat where gambling is being conducted.
7. On March 3, 2011 a Gaming Agent was contacted regarding an underage person in the casino. The Agent reviewed the surveillance coverage and found that the underage person was not asked for identification before entering the casino. All three Security Officers at the turnstiles were terminated.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Hollywood by and through its agents as described herein constitute a breach of IC 4-33, 68 IAC and/or Hollywood's approved internal control procedures. The Commission and Hollywood hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Hollywood. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

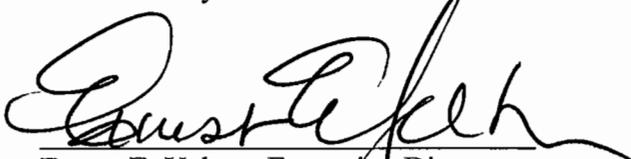
Hollywood shall pay to the Commission \$18,500 (\$10,000 for Count I; \$2,500 for Count II and \$6,000 for Count III) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in each count of this agreement. This agreement extends only to those violations and findings of fact, specifically alleged herein. If the Commission subsequently discovers facts that give rise to additional or separate violations, which are not described herein, the Commission may pursue disciplinary action for such violations even if the subsequent violations are similar or 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, Hollywood agrees to promptly remit payment in the amount of \$18,500 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 Hollywood.

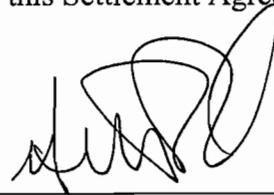
IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date and year as set forth below.



Ernest E. Yelton, Executive Director
Indiana Gaming Commission

5-25-11

Date



Tony Rodio, General Manager
Indiana Gaming Company, L.P.

5/10/11

Date