

**ORDER 2014-47
IN RE SETTLEMENT AGREEMENT**

**AMERISTAR CASINO EAST CHICAGO, LLC
14-AS-01**

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

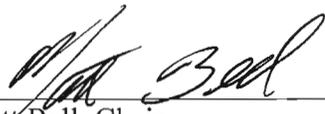
APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 20th DAY OF MARCH, 2014.

THE INDIANA GAMING COMMISSION:



Matt Bell, Chair

ATTEST:



Cris Johnston, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
AMERISTAR CASINO EAST)	14-AS-01
CHICAGO, LLC)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Ernest E. Yelton and Ameristar Casino East Chicago, LLC (“Ameristar”), (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. 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.
2. On January 3, 2014 a Gaming Agent was contacted by a Security Supervisor regarding an underage person allowed on the casino floor. The underage person was not asked for identification prior to entering the casino.

COUNT II

3. 68 IAC 12-1-5(f)(6) states electronic gaming device surveillance must be capable of providing coverage of progressive games, including dedicated coverage of the following:
 - (A) Any electronic gaming device or group of electronic gaming devices with a possible jackpot payout in excess of fifty thousand dollars (\$50,000).
 - (B) The progressive display showing the incrementation of the progressive jackpot for an electronic gaming device or a bank of electronic gaming devices.
4. 68 IAC 2-6-37 states (a) During the normal operating mode of the progressive controller, the controller must do the following:
 - (1) Continuously monitor each electronic gaming device attached to the controller to detect inserted tokens or credits wagered.
 - (2) Multiply the accepted tokens by the programmed rate of progression and denomination in order to determine the correct amounts to apply to the progressive jackpot.

- (3) (b) The progressive display must be constantly updated as play on the link is continued. It will be acceptable to have a slight delay in the update as long as when a jackpot is triggered the jackpot amount is shown immediately.
 - (4) (c) At least one (1) progressive display to which a group of progressive electronic gaming devices is linked must continuously display the amount of the progressive jackpot that a patron may win.
5. On January 25, 2013 Ameristar was granted a waiver allowing the delay of dedicated camera coverage for any progressive slot machines with an immediate jackpot of less than \$50,000, until the progressive display reads a minimum of \$40,000. The waiver was granted on the condition that the accounting/income audit department would be responsible for verifying daily that the incrementation was correct on all progressive machines.
6. On October 30, 2013 a Gaming Agent was contacted by a Slot Technician advising that the progressive meter on a slot machine had not been incrementing since October 9, 2013. A patron had complained to a Slot Supervisor that the game was not incrementing. The jackpot display indicated an amount of \$74,650.78 which is required to have dedicated camera coverage to show the incrementation. The display had a camera dedicated on the jackpot display, but the Surveillance department did not notice the display was not incrementing. The progressive meter was repaired and the jackpot was adjusted to the correct amount.
7. On November 2, 2013 a Gaming Agent was contacted by a Slot Technician about a progressive meter for a bank of machines. The progressive amount had been won the night before and the display would not reset to the base amount. The Slot Technician felt the power outage the previous night may have damaged the machine. After the Technician repaired the display he contacted the Agent as the machine was still having communication problems. The machine was repaired and placed into service. On November 4, 2013 a Slot Tech and Gaming Agent were discussing issues with the progressives and realized that the machine had been affected by more than just one power outage. It was discovered that a bad CPU was removed from the machine and the display was not incrementing since September 27, 2013. The Senior Internal Auditor compiled a list of jackpot winners that were owed money. The Internal Auditor identified seventeen (17) different people and once the casino determined the amount owed to each person, the casino would contact them to release the funds.

COUNT III

8. 68 IAC 2-3-1(c) states a person employed by the riverboat gambling operation and whose duties are to be performed on the riverboat are required to hold an occupational license.
9. 68 IAC 11-7-1(b) states 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. The term includes, but is not limited to, keys that will allow access to currency and chips.

10. IAC 2-3-9.2(d) states riverboat licensees must collect the identification badge issued by the commission to an occupational licensee when the occupational licensee's employment with the riverboat licensee is terminated for any reason. All identification badges collected by the riverboat licensee must be turned over to an enforcement agent within seven (7) days.
11. On February 10, 2014 a Gaming Agent was contacted by a HR Representative in reference to the license status of a Cage Cashier. The Cage Cashier was terminated by the casino on January 28, 2014 and was called back to work by a Cage Manager. The Cage Cashier worked February 9 and 10, 2014. After speaking to the HR Representative, the Agent checked the Indiana Gaming Commissions Occupational License ("OCCLIC") data base and confirmed that the Cage Cashier was terminated on January 28, 2014. The Cage Cashier was still in possession of her badge, since the casino had not collected it, and wore it while on the casino floor and in the cage. Even though the Cage Cashier still possessed her badge, she was unable to clock in and out of work and was allowed to sign in. Also she was locked out of several functions at the cage, one being accessing the cage area. In these instances another employee would override the system and allow her access.

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, 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. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

Ameristar shall pay to the Commission a total of \$10,500 (\$1,500 for Count I; \$5,000 for Count II and \$4,000 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, Ameristar agrees to promptly remit payment in the amount of \$10,500 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 Ameristar.

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

3.17.14

Date



Matthew Schuffert, VP/GM
Ameristar Casino East Chicago, LLC

2/25/14

Date