

**ORDER 2017-100
IN RE SETTLEMENT AGREEMENT
CENTAUR ACQUISITION, LLC
17-IG-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 29th DAY OF JUNE, 2017.

THE INDIANA GAMING COMMISSION:



Cris Johnston, Chair

ATTEST:



Joseph Svetanoff, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
) **SETTLEMENT**
CENTAUR ACQUISITION, LLC) **17-IG-02**
)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Centaur Acquisition, LLC (“Indiana Grand”), (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 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 keys that will allow access to Electronic Gaming Devices.
2. Indiana Grand’s Internal Control Procedures on Key Control P-2.1, describes the required protocol for custody of sensitive keys.
3. On December 23, 2016, an Electronic Games Assistant Manager (EGAM) notified a Gaming Agent that a key fob was missing from the Traka key box outside of the Slots office. The EGAM stated that he was putting his keys back in the Traka Box when he noticed a key fob was missing. Another EGAM was the last licensee to be in possession of the key fob that was missing. Security did not receive any alerts from the Traka box and the light on the box failed to flash signaling overdue or missing keys.
4. Once the key fob was determined to be missing, the EGAM who noticed the key to be missing contacted the EGAM who last had possession, and it was determined that the key fob did not leave property. The EGAM recalled the last machine he had been working on and the keys were located at this machine hanging from the belly door keyhole. A Security Shift Manager took possession of the keys and returned them back to the Traka Box.
5. This key fob contained seven keys which controls access to the interior of all slot machines. The key fob was unsecured for 13 hours. A surveillance review indicated that no patron or licensee appeared to notice the key fob.

COUNT II

6. 68 IAC 2-3-9.1 states all occupational licensees must submit, in writing, to the enforcement agent the following information within ten (10) calendar days of the change or the occurrence of the event:
 - (1) Name changes;
 - (2) Change of home address;
 - (3) Change of home telephone number;
 - (4) The filing of a bankruptcy by the occupational licensee;
 - (5) That the occupational licensee has been arrested for, indicted of, charged with, convicted of, or plead guilty to any felony or misdemeanor offense;
 - (6) Any other information that would affect the occupational licensee's suitability to maintain a license under the Act or this rule.

7. On January 11, 2017, a Gaming Agent was completing a review of the Occupational License Annual Renewal/Information Update forms when it was discovered that a form had been dated and stamped by Indiana Grand Human Resources Department on December 12, 2016 which was nineteen (19) days beyond the ten (10) day requirement.

COUNT III

1. 68 IAC 11-9-2(a) states 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 11-9-2(b)(11) states the measures the casino licensee or trustee will take to ensure compliance with: (A) IC 4-33-4-27 or IC 4-35-4-16; and (B) this rule.

3. 68 IAC 11-9-2(b)(12) states any other information the commission or the executive director deems necessary to ensure compliance with: (A) IC 4-33-4-27 or IC 4-35-4-16; and (B) this rule.

4. Indiana Grand's Internal Control Procedures, N-1.1, provides the required procedures that shall be adhered to for jackpots greater than \$1,199 which are processed on W-2g's.

5. In April 2016, the Commission became aware of, through criminal investigation that Indiana Grand had paid out a number of jackpots in a manner that failed to adhere to 68 IAC 11-9-2 and Indiana Grand Internal Control Procedure, N-1.1.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Indiana Grand by and through its agents as described herein constitute a breach of IC 4-35, 68 IAC or Indiana Grand'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 Indiana Grand. This agreement is being entered into to avoid the potential expense and inconvenience of disciplinary action.

Indiana Grand shall pay to the Commission a total of \$43,500 (\$3,000 for Count I, \$500 for Count II and \$40,000 for Count III) 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 Indiana Grand. 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, Indiana Grand agrees to promptly remit payment in the amount of \$43,500 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.

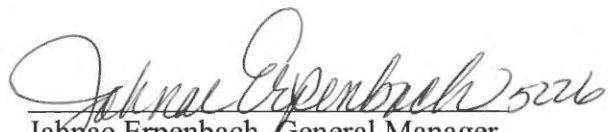
This Settlement Agreement shall be binding upon the Commission and Indiana Grand.

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



Sara Gonso Tait, Executive Director
Indiana Gaming Commission

6/28/17
Date


Jahnnae Erpenbach, General Manager
Indiana Grand

6-27-17
Date