

**ORDER 2020-131
IN RE SETTLEMENT AGREEMENT**

**BLUE SKY CASINO, LLC d/b/a FRENCH LICK RESORT • CASINO
20-FL-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 23rd DAY OF NOVEMBER, 2020.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
BLUE SKY CASINO, LLC d/b/a)	20-FL-02
FRENCH LICK RESORT•CASINO)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Blue Sky Casino, LLC d/b/a French Lick Resort•Casino (“French Lick”) (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. French Lick’s approved internal control procedures, B-25, describe the procedures for child support delinquency reporting.
4. Gaming Agent’s audited the Child Support Arrears Delinquency Registry (CSADR) for July 2020. 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

5. IC 4-33-9-12(a) provides 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.
6. 68 IAC 1-11-1(c) provides a person under twenty-one (21) years of age shall not be present in a casino.
7. On June 27, 2020, Surveillance notified Gaming Agents that an underage person was allowed on the casino floor. The underage person presented his identification to

Security identifying that he was eighteen (18) years of age. The identification was scanned by Security and Security allowed the underage person to enter the casino floor.

COUNT III

8. 68 IAC 2-6-6(c)(5)(B) provides if a casino licensee converts an electronic gaming device, the casino licensee must perform a coin test to ensure that the electronic gaming device is communicating with the central computer system. If the electronic gaming device is not communicating with the central computer system, the electronic gaming device must be disabled.
9. On February 5, 2020, a Slot Tech and Gaming Agents were coin testing several electronic gaming devices (EGD) when it was discovered that a patron was playing an EGD that had not been coin tested. It was discovered that the EGD was not communicating with the casino slot system. A review of surveillance indicated that another patron had played the EGD while it was not communicating with the system and prior to being coin tested.
10. 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.
11. 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.
12. French Lick's approved internal control procedures, M-10, describe the procedures for the Emergency Bill Validator Drop.
13. On September 2, 2020, Surveillance notified the Gaming Agents that an emergency drop had been conducted on an EGD. Gaming Agents were not notified of the emergency drop.

COUNT IV

14. 68 IAC 6-1-1 provides an excluded person is prohibited from entering gaming areas and a casino licensee or operating agent must evict any excluded person from its gaming area if the casino licensee or operating agent knows or reasonably should know that the person is an excluded person.
15. French Lick's approved internal control procedures, I-4, describe the procedures for prohibited guests.

16. In April 2020, Gaming Agents audited the statewide exclusion list. It was determined that six (6) individuals were not flagged.

COUNT V

17. 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.
18. 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.
19. French Lick's approved internal control procedures, K-16, describe the procedures for card, dice and layout control.
20. On February 5, 2020, Security notified Gaming Agents that while a Security Officer was cancelling playing cards it was determined that six (6) decks of playing cards had the wrong date on them.
21. On February 10, 2020, Security notified Gaming Agents that while a Security Officer was cancelling playing cards it was determined that one (1) deck of playing cards did not have the Supervisor's signature.
22. On March 8, 2020, Security notified Gaming Agents that while a Security Officer was cancelling playing cards it was determined that two (2) decks of playing cards had the wrong date on them.
23. On March 9, 2020, Security notified Gaming Agents that while a Security Officer was cancelling playing cards it was determined that one (1) deck of playing cards did not have the table game number or signatures.
24. On June 29, 2020, Security notified Gaming Agents that while a Security Officer was cancelling playing cards it was determined that six (6) decks of playing cards did not have two (2) sets of initials.
25. On July 6, 2020, Security notified Gaming Agents that while a Security Officer was cancelling playing cards it was determined that one (1) deck of playing cards did not have the Supervisor's signature.
26. 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.

27. 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.
28. French Lick's approved internal control procedures, K-18(d), describe table game jackpot payout procedures.
29. On July 14, 2020, Surveillance notified Gaming Agents that a patron had hit a jackpot at a High Card Flush table and was paid at the table instead of the cage. The patron hit a seven (7) card flush on a \$5 wager resulting in a payment of \$1,500. This equated to three hundred (300) times the amount of the wager and required a W-2G. The casino was able to locate the patron and rectify the matter by completing the W-2G process.
30. On August 1, 2020, Surveillance notified Gaming Agents that a patron had hit a jackpot at a Crazy Four Poker table and two (2) other patrons hit an envy bonus were paid at the table instead of the cage. One (1) patron hit a royal flush and was appropriately paid at the cage. The other two (2) patrons were paid their \$1,000 envy bonus at the table rather than the cage. The casino was able to locate the patron and rectify the matter by completing the W-2G process.
31. 68 IAC 16-1-7 provides that procedures shall be established for the computerized and manual issuance of markers.
32. French Lick's approved internal control procedures, K-12, describe the issuance of markers.
33. On September 18, 2020, Surveillance notified the Gaming Agents that an Assistant Casino Manager issued a marker on two (2) separate occasions to a patron without notifying surveillance.

COUNT VI

34. 68 IAC 2-3-9.2(b) provides riverboat licensees must advise the enforcement agent, on a form prescribed or approved by the commission, when one (1) of the following events occurs with an occupational licensee: (1) 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.
35. On June 3, 2020, a Talent Acquisitions Manager notified Gaming Agents that a Bartender was terminated on March 5, 2018, however, termination paperwork had not been completed and submitted to the Commission.

TERMS AND CONDITIONS

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

French Lick shall pay to the Commission a total of \$15,500 (\$1,000 for Count I, \$6,000 for Count II, \$1,500 for Count III, \$1,500 for Count IV, \$4,500 for Count V and \$1,000 for Count VI) 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, French Lick agrees to promptly remit payment in the amount of \$15,500 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 French Lick.

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

Sara Gonso Tait, Executive Director



Chris Leininger, General Manager

Indiana Gaming Commission

Date

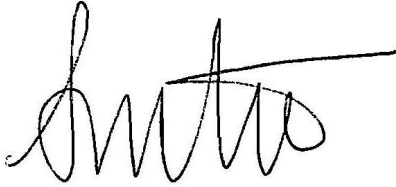
Blue Sky Casino, LLC

Date

11/12/20

This Agreement shall be binding upon the Commission and French Lick.

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



Sara Gonso Tait, Executive Director
Indiana Gaming Commission

11/20/20

Date

Chris Leininger, General Manager
Blue Sky Casino, LLC

Date