

**ORDER 2021-26
IN RE SETTLEMENT AGREEMENT**

**BELTERRA RESORT INDIANA, LLC
21-BT-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 23rd DAY OF MARCH, 2021.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
) **SETTLEMENT**
BELTERRA RESORT INDIANA, LLC) **21-BT-01**
)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Belterra Resort Indiana, LLC (“Beltterra”) (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. IC 4-38-11-1(a) provides the bureau shall provide information to a certificate holder concerning persons who are delinquent in child support.
 - (b) Prior to a certificate holder disbursing a payout of six hundred dollars (\$600) or more, in winnings, from sports wagering to a person who is delinquent in child support and who is claiming the winning sports wager in person at the certificate holder's facility, the certificate holder:
 - (1) may deduct and retain an administrative fee in the amount of the lesser of:
 - (A) three percent (3%) of the amount of delinquent child support withheld under subdivision (2)(A); or
 - (B) one hundred dollars (\$100); and
 - (2) shall:
 - (A) withhold the amount of delinquent child support owed from winnings;
 - (B) transmit to the bureau:
 - (i) the amount withheld for delinquent child support; and
 - (ii) identifying information, including the full name, address, and Social Security number of the obligor and the child support case identifier, the date and amount of the payment, and the name and location of the licensed owner, operating agent, or trustee; and
 - (C) issue the obligor a receipt in a form prescribed by the bureau with the total amount withheld for delinquent child support and the administrative fee.
 - (c) The bureau shall notify the obligor at the address provided by the certificate holder that the bureau intends to offset the obligor's delinquent child support with the winnings.
 - (d) The bureau shall hold the amount withheld from the winnings of an obligor for ten (10) business days before applying the amount as payment to the obligor's delinquent child support.

- (e) The delinquent child support required to be withheld under this section and an administrative fee described under subsection (b)(1) have priority over any secured or unsecured claim on winnings except claims for federal or state taxes that are required to be withheld under federal or state law.
2. Chapter 5, Section 2(2)(W) of the Emergency Rules for Sports Wagering provides prior to beginning sports wagering operations, a sports wagering operator must submit for approval under 68 IAC 11 internal controls for withholding winnings from delinquent child support obligors in accordance with IC 4-38-11, including a plan for complying with IC 4-38-11 if the sports wagering operator allows the redemption of tickets via mail.
 3. 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.
 4. 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.
 5. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (CSADR) for November 2020. The results of this audit found one (1) individual was not searched through the CSADR system at the time sports wagering winnings in excess of \$600 was won.
 6. On November 30, 2020, Belterra's Director of Regulatory Compliance verbally self-reported that the individual was not searched in CSADR when it was identified by Revenue Audit.

COUNT II

7. 68 IAC 11-1-2(1) provides the purpose of the internal control system is to ensure the assets of the casino are safeguarded.
8. 68 IAC 15-1-2(1) provides the purpose of the accounting records and procedures is to ensure the assets of the casino are safeguarded.
9. 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.
10. Belterra's approved internal control procedures, S-1-13 and S-1-14, describe the Sportsbook Operations and the procedures for variances and discrepancies.

11. On December 28, 2020, Gaming Agents were contacted by a Sportsbook Manager to notify of a negative \$10,000 variance. The Sportsbook Manager provided that a patron wanted to place an \$110,000 money line wager on an NBA game and a \$10,000 wager on another NBA game. The Sportsbook Manager had a Sportsbook Cashier handle the \$10,000 wager while he requested permission to take the \$110,000 wager. After receiving permission, the Sportsbook Manager advised Surveillance that a \$120,000 wager was about to be placed.
12. The Sportsbook Manager and Sportsbook Cashier proceeded to the back room to conduct a count of the funds out of view of the patrons due to the large amount of cash being counted and at the request from the patron. The number of \$10,000 straps was miscounted and placed into a plastic bag to be put into the safe. The variance was not determined until they were performing closing paperwork. The patron had only provided \$110,000 rather than \$120,000 but a \$120,000 worth of wagers was recorded.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Belterra 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 Belterra's approved internal control procedures. The Commission and Belterra hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Belterra.

Belterra shall pay to the Commission a total of \$3,500 (\$1,000 for Count I and \$2,500 for Count II,) 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, Belterra agrees to promptly remit payment in the amount of \$3,500 and shall 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

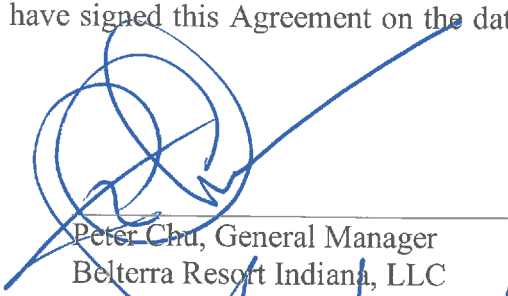
receipt of such document so executed and delivered electronically as if the original had been received.

This Agreement shall be binding upon the Commission and Belterra.

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

Date



Peter Chu, General Manager
Beltterra Resort Indiana, LLC

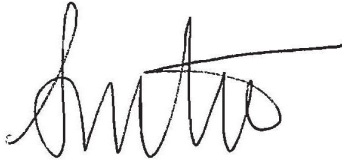
3/17/2021

Date

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 Belterra.

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

3/23/21

Date

Peter Chu, General Manager
Beltterra Resort Indiana, LLC

Date