

**ORDER 2024-34
IN RE SETTLEMENT AGREEMENT**

**CENTAUR ACQUISITION, LLC
d/b/a HORSESHOE INDIANAPOLIS
24-HI-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 21st DAY OF MARCH, 2024.

THE INDIANA GAMING COMMISSION:


Milton Thompson, Chair

ATTEST:


Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

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|-------------------------------------|---|-------------------|
| IN RE THE MATTER OF: |) | |
| |) | SETTLEMENT |
| CENTAUR ACQUISITION, LLC |) | 24-HI-01 |
| d/b/a HORSESHOE INDIANAPOLIS |) | |
| |) | |

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Greg Small and Centaur Acquisition, LLC d/b/a Horseshoe Indianapolis, (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 11-1-3 and 68 IAC 15-1-3 requires the assets of the casino licensee to be safeguarded.
2. 68 IAC 15-10-5 provides the casino licensee shall establish policies and procedures for the even exchange of funds.
3. Horseshoe Indianapolis’ approved internal control procedures, Y 2.1, describe the procedures for Poker Table Fills (Even Exchanges).
4. On December 27, 2023, Surveillance notified Gaming Agents of unsecured funds in the main cage. A review of surveillance coverage determined that a Dual Rate Floor Supervisor/Dealer escorted an even exchange from the poker room to the main bank. The Main Bank Cashier was verifying \$800 in cash and running it through the currency counter. The Main Bank Cashier removed the cash from the currency counter; however, she left a \$100 bill in the currency counter. Approximately three (3) minutes later, the Main Bank Cashier left the window, and the \$100 bill was left unsecured. Two (2) Cage Supervisors use the same window but do not notice the unsecured \$100 bill.
5. Approximately a half-hour later, a Dealer took a second even exchange to the main bank in the amount of \$1,835, \$1,810 in cash and \$25 in red chips. The Main Bank Cashier placed the currency into the currency counter where the \$100 bill was still in the tray. The Main Bank Cashier counted out \$1,935 in chips, causing a \$100 overage. The even exchange was escorted back to the poker room by the Dealer and was placed on the table. The Dual Rate Floor Supervisor/Dealer verified the chip amounts, placed them into the float and determined the \$100 overage. Surveillance was subsequently contacted and advised of the \$100 overage. The \$100 was escorted back to the main bank. The Main

Bank Cashier and Cage Supervisors were all working out of the same drawer and were passing keys to one another to complete the transactions.

COUNT II

6. 68 IAC 11-7-1(b) provides 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.
7. 68 IAC 11-7-3(b) provides that sensitive keys shall be returned to custody and signed in by the same occupational licensee they were issued to unless there is a documented change of shift.
8. On September 18, 2023, an Assistant Table Games Shift Manager notified Gaming Agents that a Floor Supervisor/Dealer had left sensitive keys in the pit podium when she went on break. The keys remained in the podium for approximately thirty-three (33) minutes before they were found by another Floor Supervisor/Dealer.
9. On October 17, 2023, Security notified Gaming Agents that a Cage Cashier had left property with a key fob containing one (1) sensitive key. The key belonged to a lock for a cashier drawer in the Cage. The alarm sensor did not sound when the Cage Cashier exited the property. The key was off property for two (2) hours and thirty-eight (38) minutes.
10. On November 3, 2023, Security notified Gaming Agents that a Dual Rate Floor Supervisor/Dealer exited the casino through the Team Member entrance with a sensitive key fob containing the following keys: old roulette chip cover, craps table, float lids, table game base door, roulette chip cover, and podiums. The alarm sensor did not go off when the employee exited the property. The keys were outside the casino for approximately four (4) minutes.
11. On December 5, 2023, a Slot Shift Manager notified Gaming Agents that a Slot Attendant left sensitive keys unattended in her locker. The missing keys were electronic gaming device keys. A surveillance review showed that the keys were left unattended in the locker for approximately ten (10) hours and fifty-eight (58) minutes.

COUNT III

12. 68 IAC 2-6-2(a) requires that the following may not be used for gaming by any casino licensee prior to the executive director, or the executive director's designee, authorizing their inclusion in the commission's online database of approved items and technologies: (1) Electronic gaming devices (EGD) and any component parts material to gaming activity, including, but not limited to, the following: (A) Random number generators. (B) All game media.
13. 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.

14. Horseshoe Indianapolis' approved internal control procedures, E-1, describe the characteristics of an EGD.
15. On November 29, 2023, Gaming Agents investigated a possible violation of the Commission's Electronic Gaming Device System ("EGDS") as an electronic gaming device ("EGD") had revoked software. The Gaming Agent met with a Slot Supervisor and they were able to confirm that the software was in fact revoked.
16. On December 27, 2022, a notification was issued via EGDS notifying properties of the revoked software. Horseshoe Indianapolis was notified of the revocation. The game was in service with revoked software for approximately eleven (11) months.
17. On December 22, 2023, a Slot Technical Supervisor notified Gaming Agents that he discovered that the operating system (OS) in a EGD was incorrect in the Commission's EGDS. During the investigation, it was found that the other three (3) EGD's had an incorrect OS. A change request submitted on June 13, 2022 through the EGDS, indicated the OS they were installing. It was approved by the Commission and completed, but a different OS was installed in the EGD's. The EGD's were operating with current software, but the software was not sent to Commission for approval through the EGDS as required. On December 22, 2023, change requests were submitted to update the OS in EGDS for the machines to what they are currently using.
18. On November 30, 2023, a Slot Tech notified Gaming Agents that an electronic gaming device ("EGD") was placed in service before a coin test was completed. A surveillance review showed the EGD was placed out of service on November 29, 2023, and the casino failed to place paperwork on the machine which is the indication to the Slot Department that the EGD needs to be coin tested. The EGD was then left in service without a coin test for approximately twelve (12) hours and thirty-six (36) minutes. Several patrons were observed gaming on the EGD during that time.

COUNT IV

20. 68 IAC 11-4-4(a) provides at any time when a live gaming device is closed, chips remaining at the live gaming device shall be counted by the appropriate level of occupational licensee assigned to the live gaming device and verified by the pit boss or the equivalent.
 - (b) A live gaming device inventory slip shall be prepared.
 - (c) The occupational licensee and the pit boss or the equivalent who observed the count of the contents of the tray shall sign the inventory slip at the time of closing the live gaming device attesting to the accuracy of the information recorded.
 - (d) The occupational licensee shall immediately deposit the closer in the drop box.

- (e) 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.
21. Horseshoe Indianapolis' approved internal control procedures, U-7.1, describes closing of gaming tables.
 22. On September 25, 2023, Surveillance notified Gaming Agents that a table closer error had occurred. The table inventory closer slip showed \$3,900 in green \$25 chips; however, the physical inventory was \$2,900 in green \$25 chips.
 23. On October 1, 2023, an Assistant Table Games Shift Manager notified Gaming Agents that a table closer error had occurred. The table inventory closer slip showed \$19,000 in purple \$500 chips; however, the physical inventory was \$18,500 in purple \$500 chips.
 24. On October 14, 2023, an Assistant Table Games Shift Manager notified Gaming Agents that a table closer error had occurred. The table inventory closer slip showed \$2,425 in green \$25 chips; however, the physical inventory was \$2,925 in green \$25 chips.
 25. On October 28, 2023, Table Games notified Gaming Agents that a table closer error had occurred. The table inventory closer slip showed \$23,500 in purple \$500 chips; however, the physical inventory was \$23,000 in purple \$500 chips.
 26. On October 29, 2023, an Assistant Table Game Shift Manager notified Gaming Agents that a table closer error had occurred. The table inventory closer slip showed \$22,500 in purple \$500 chips, however; the physical inventory was \$24,500 in purple \$500 chips.

COUNT V

27. 68 IAC 15-12-3(a) provides the requirements for live gaming device fills.
28. Horseshoe Indianapolis' approved internal control procedures, Table Games U-10, describes the procedures for the Issuance of Computerized Fills to Gaming Tables.
29. On October 13, 2023, a Dual Rate Assistant Table Games Shift Manager/Floor Supervisor notified Gaming Agents that a table fill was taken to and accepted at the wrong table.
30. On December 29, 2023, Surveillance notified Gaming Agents of an incorrect table fill. The table fill requested \$2,000 in black \$100 chips, but the table fill was sent out with \$4,000 in black \$100 chips. When the table fill arrived at the table, the Table Games Supervisor notified surveillance that the table fill was supposed to be for \$2,000. The table fill was returned to the Employee Service Window at the cage and the error was corrected, however, the table fill was not properly voided.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Horseshoe Indianapolis by and through its agents as described herein constitute a breach of IC 4-35, IC 4-38, 68 IAC and/or Horseshoe Indianapolis'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 Horseshoe Indianapolis.

Horseshoe Indianapolis shall pay to the Commission a total of \$11,000 (\$1,500 for Count I, \$1,750 for Count II, \$4,500 for Count III, \$1,250 for Count IV and \$2,000 for Count V) 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 in each Count 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, Horseshoe Indianapolis agrees to promptly remit payment in the amount of \$11,000 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 Horseshoe Indianapolis.

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

Greg Small

Greg Small, Executive Director
Indiana Gaming Commission

3/13/24

Date

Trent McIntosh

Trent McIntosh, SVP & General Manager
Centaur Acquisition, LLC

3/12/24

Date