

**ORDER 2021-44
IN RE SETTLEMENT AGREEMENT**

**CENTAUR ACQUISITION, LLC d/b/a WINNER'S CIRCLE OFF TRACK
BETTING, CLARKSVILLE
21-OTB-CV-01**

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

APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

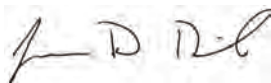
IT IS SO ORDERED THIS THE 23rd DAY OF MARCH, 2021.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:	)	
	)	SETTLEMENT
CENTAUR ACQUISITION, LLC	)	21-OTB-CV-01
d/b/a WINNER'S CIRCLE OFF TRACK	)	
BETTING, CLARKSVILLE	)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission ("Commission") by and through its Executive Director Sara Gonso Tait and Centaur Acquisition, LLC d/b/a Winner's Circle Off Track Betting, Clarksville ("OTB Clarksville"), (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. Chapter 2, Section 18(a) of the Emergency Rules for Sports Wagering provide a sports wagering operator shall have at least one (1) manager level position designated as a Level 1 occupational license.
2. Chapter 2, Section 16(d) of the Emergency Rules for Sports Wagering provide except as outlined in this section, occupational licensing of an employee, independent contractor, agent or subagent of a sports wagering operator shall be governed by IC 4-33-8 and 68 IAC 2-3.
3. 68 IAC 2-3-1(c) provides the requirements for holding an occupational license.
4. The Commission is charged with making licensing determinations for the employees of the Indiana casinos based off the regulation outlined in the Indiana Administrative Code. The need for licensure is determined by Commission staff through the job description and organizational chart submissions submitted by the casino. Submissions must be sent to the Commission's Gaming Administrator for review and approval prior to implementation. A casino may not implement changes submitted until the Commission approves the submission.
5. 68 IAC 2-3-9(c)(2) provides that occupational licensees shall cooperate with and provide truthful information to enforcement agents and staff during any investigation regarding criminal activity or regulatory violations, or both.
6. 68 IAC 2-3-9.2(b)(2)(C) provides licensees must notify the Commission when an occupational licensee transfers to another position.

7. 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.
8. In September 2019, the Commission's Sports Wagering Investigator (SWI) communicated with Indiana Grand's Director of Compliance (DOC) and requested the chain of command as it applied to the off track betting (OTB) locations.
9. On September 30, 2019, Indiana Grand's DOC provided that the VP of Hospitality at Indiana Grand would have all General Manager's (GM) reporting to him. One (1) individual was the GM of OTB Indianapolis (IN) and OTB Clarksville (CV), another individual was the Assistant GM at OTB CV and a third individual was the Race Sportsbook Manager at all three (3) OTB's. All were level one (1) licensees.
10. On December 30, 2019, a Commission Gaming Enforcement Investigator (Investigator) conducted a site visit at the OTB CV and met with an employee known to the Commission to be a Race Sportsbook Supervisor which holds a Level two (2) license. This employee advised that as of December 20, 2019 that he was now the General Manager of the OTB CV. This employee will be referenced as Sportsbook Supervisor/GM throughout the narrative.
11. On December 31, 2019, a Commission Gaming Enforcement Supervisor (GES) sent an email to Indiana Grand's DOC requesting to know if the Sportsbook Supervisor/GM was acting as the new GM at OTB CV.
12. On December 31, 2019, the Commission's Investigator sent an email to Indiana Grand's DOC and to Indiana Grand's VP of Hospitality questioning the status as the employee since the Commission's Occupational Licensing System (OccLic) identified him as a Race Sportsbook Supervisor and not GM. .
13. On January 10, 2020, the Commission Gaming Administrator (GA) received a submission for job descriptions and organizational charts for OTB CV.
14. On January 14, 2020, the Commission's GA circulated an internal email requesting review of the submission by internal Commission staff.
15. On January 29, 2020, the Commission's GA communicated with Indiana Grand's DOC on the submission and requested some updates be made.
16. On January 30, 2020, Indiana Grand's DOC acknowledged the email and advised that the updates would be made and resubmitted.
17. On February 10, 2020, Commission staff conducted a site visit at OTB CV. During the site visit, an audit was conducted and paperwork was reviewed with the

Sportsbook Supervisor/GM. The Sportsbook Supervisor/GM had access to reports that typically only Level one (1) licensees at other OTB's have access to.

18. On March 11, 2020, Indiana Grand's DOC sent updates on job description titles to the Commission's GA but included additional positions that were not included in the original submission.
19. On March 12, 2020, the Commission's Director of Audit (DOA) and a Field Auditor (FA) conducted a site visit at OTB CV with other relevant Commission staff and performed an audit. The Commission staff met with Assistant GM regarding a variance. The Assistant GM could not provide an explanation for the variance and indicated that the Sportsbook Supervisor/GM was looking into it. The Assistant GM made a call to the Sportsbook Supervisor/GM. While not on speaker phone, the phone volume was loud enough to hear the conversation. At one point, the Sportsbook Supervisor/GM referenced the variance being due to a typo.
20. On March 12, 2020, the Commission's SWI requested a licensing status on the Sportsbook Supervisor/GM from Indiana Grand's DOC. The Commission's SWI was advised by the Sportsbook Supervisor/GM that he was the new GM at OTB CV, however, OccLic did not reflect that information.
21. On March 12, 2020, Indiana Grand's DOC responded that a job description was submitted to the Commission to create a single property Commission licensed GM but was still pending approval. Additionally, he advised, if approved, the opportunity to fill it has been promised to the Sportsbook Supervisor/GM and his pay and benefits were adjusted to reflect that promise, however, the Sportsbook Supervisor/GM was advised that the position was pending Commission approval. The Sportsbook Supervisor/GM was also advised that he would have to be found suitable for licensure by the Commission and until that time his role, system access, key access, operational oversight and signatory authority is that of a Sportsbook Supervisor reporting to the Assistant GM.
22. On March 15, 2020, the Commission's DOA requested details concerning corporate oversight of drop, count and currency transport on March 16th due to events of Feb. 13th and on-site visit on March 12th.
23. On March 15, 2020, Indiana Grand's DOC responded and provided the information that the DOA had requested including surveillance reports and surveillance footage of the drop and count. The paperwork provided to the Commission's DOA included an OTB CV Sportsbook settlement sheet that was signed by the Sportsbook Supervisor/GM and numerous Well Fargo Bank slips indicating different amounts of currency also signed by the Sportsbook Supervisor/GM. This demonstrated that the Sportsbook Supervisor/GM was in control of assets which contradicts the information provided by Indiana Grand's DOC on the Sportsbook Supervisor/GM's signatory authority and operation oversight.

24. On March 15, 2020, Indiana Grand's DOC followed up on a phone call with Commission's DOA advising that he asked surveillance to pull the requested footage of the March 16th drop and the armored car pickup. The DOC also advised that the Assistant GM would not be on-site and that the Sportsbook Supervisor/GM would be supervising. Therefore, there was not a Level one (1) licensee on the property overseeing this operation.
25. On March 16, 2020, the Commission's DOA forwarded information that was a result of a field audit at OTB CV on March 12, 2020. For gaming day, March 10th, a cash shortage variance of \$21,372 occurred on a sports wagering kiosk (SWK). The Assistant GM stated she did not know the reason for the variance. The Assistant GM called the Sportsbook Supervisor/GM who advised her it was a typo. The Commission's FA showed the Assistant GM the Stacker Report showing the variance. Later in the afternoon, the Sportsbook Supervisor/GM was interviewed and he supplied a corrected sheet that he signed for the SWK over/short total on March 10th. On the sheet, the SWK count had been changed to \$9,268 resulting in an overage of \$455. The Sportsbook Supervisor/GM also provided an Openbet report for March 10, 2020 which showed an overage of \$455. All indications during the Commission DOA and FA interactions during this field audit appeared that Sportsbook Supervisor/GM was acting manager at the property and the Assistant GM was reporting to him which contradicts the statements represented by Indiana Grand's DOC. During the interview with the Sportsbook Supervisor/GM, he never indicated that that the Assistant GM should be answering these questions and by all appearances he was performing the role of GM. The Sportsbook Supervisor/GM also advised that he was holding management meetings and produced a document that appears to be an agenda for the management meeting on February 19, 2020. The Sportsbook Supervisor/GM also advised that he had only skimmed over the OTB's internal controls indicating he was not fully aware of the internal controls approved for this property. Indiana Grand's DOC advised via phone on March 15, 2020 that Indiana Grand's DOC and Caesars' Director of Market Technology/Engineering (DMT) had supplied an explanation regarding the variance and issue regarding the stacker and open bet reports to the Commission's SWI. The letter providing the explanation was not provided until March 23, 2020.
26. On March 16, 2020, the Commission's SWI sent a follow-up email to Indiana Grand's DOC and the VP of Hospitality requesting more information on the Sportsbook Supervisor/GM's role at the sportsbook. It was specifically requested what type of access he had to Open Bet and what kind of reports he had clearance to access as a Level two (2) licensee, Sportsbook Supervisor vs. a Level one (1) GM.
27. On March 17, 2020, Indiana Grand's DOC responded to the Commission's SWI's email and provided information requested on Sportsbook Supervisor/GM's system access, key access, signatory authority and operational oversight and specifically states that the Sportsbook Supervisor/GM only has signatory authority in line with other sportsbook managers which is the authority to issue comps or customer service recoveries but does not have signatory authority to make financial decisions or control

assets. On the March 12, 2020 site visit by Commission staff, the Sportsbook Supervisor/GM had signed documents and made corrections to a financial document.

28. On March 17, 2020, Indiana Grand's DOC notified the Commission's DOA that the drop and count was completed on March 16th, Brinks then arrived and transferred all currency in the facility to their armored car and transported it for deposit. The facility was then secured and closed. Surveillance was saved for both processes.
29. On March 18, 2020, the Commission's GA requested additional information from Indiana Grand's DOC on the OTB CV job description and organizational chart submission.
30. On March 20, 2020, the Commission's GA provided background on the Sportsbook Supervisor/GM to relevant Commission staff and included a timeline for the job description submission mentioned by Indiana Grand's DOC in his email on March 12th. At no time did Indiana Grand request an expedited submission or to have the position in question submitted separately to be approved due to need.
31. On March 23, 2020, the Commission's GES advised relevant Commission staff that an email was sent to Indiana Grand's DOC on December 31, 2019 inquiring into the Sportsbook Supervisor/GM's status and him acting as the new GM at OTB CV for the past couple of weeks.
32. On March 23, 2020, a Commission Investigator provided information that was a part of his narrative in an incident report involving a system failure that took place at several properties and OTB's.
33. On March 23, 2020, Caesars' DMT provided a report to the Commission's SWI regarding the SWK variance. The report provided that there was a \$21,372 variance at OTB CV which was believed to be a result of an operating procedure not completed properly during the drop of a SWK on gaming day March 8th. The variance was ultimately resolved, however, when the Sportsbook Supervisor/GM was interviewed on March 12, 2020 by Commission staff regarding this matter, he attributed this to be a typo rather than properly investigating the variance at the time.
34. On March 24, 2020, the Commission's SWI spoke to the OTB's Race Sportsbook Manager who advised he was no longer a Race Sportsbook Manager at Clarksville. He confirmed that in September 2019 he oversaw all three (3) OTB's but on January 23, 2020 he was notified by the VP of Hospitality that he was no longer allowed to work at OTB CV due to an error on the organizational chart. The Race Sportsbook Manager stated that the Sportsbook Supervisor/GM would have taken over at OTB CV and he was not sure if Assistant GM was a Level one (1). The Race Sportsbook Manager also stated that at the time he was removed from OTB CV so they could place the Sportsbook Supervisor/GM in the GM position.

35. On April 6, 2020, the Commission's Director of Background Investigations sent out the Investigation Division Monthly Distribution Summary to internal Commission staff.
36. On April 14, 2020, the Commission's DOA inquired as to the status of Sportsbook Supervisor/GM at OTB CV.
37. On April 15, 2020, the Commission's Director of Background Investigations responded that Sportsbook Supervisor/GM was permmed as a Sportsbook Supervisor, Level two (2) and that the Sportsbook Supervisor/GM has not applied for any other positions requiring further investigation.
38. On June 19, 2020, Indiana Grand's Senior VP/GM provided an update to the Commission's Deputy Director on OTB CV.
39. On June 26, 2020, the Senior VP/GM provided a summary on the licensure of the GM position at OTB CV.
40. On October 29, 2020, the Commission received the Internal Audit Report for the OTB CV for the first quarter of 2020. The Internal Audit Report did not contain any high priority deficiencies. It makes no reference to the issues surrounding the Sportsbook Supervisor/GM. The only reference is to performing the audit on a quarterly basis rather than semi-annual due to the plan that was submitted to the Commission which was developed to address the compliance, procedural and leadership concerns related with the property.
41. Chapter 7, Section 9 provide wagers and payouts made under this document shall be subject to the requirements described in 68 IAC 15-2.
42. 68 IAC 15-2-3(a), (b) & (c)(8) provides that the casino licensee shall be required to maintain a log for the purpose of recording aggregated cash transactions in excess of three thousand dollars (\$3,000). The casino licensee shall require coordination between the pits, slots, cashiers, cages, redemption centers, and other appropriate areas to ensure all transactions in excess of three thousand dollars (\$3,000) are recorded. The employee witnessing the transaction is responsible for completing the log. The log shall include a photograph of the patron to be taken during the first transaction of the day involving that patron.
43. OTB Clarksville's approved internal control procedures, A-23, describe the procedure for Title 31 compliance and include the procedures for multiple transaction logs (MTL).
44. On September 16, 2019, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$3,627.27 and requested that a photo be sent to Clarksville.

45. On September 18, 2019, an Race Sportsbook Supervisor requested an MTL photo for an unidentified patron who exceeded the MTL threshold. The unidentified patron wagered \$3,730 and a Race Sportsbook Ticket Writer/Mutuel Teller failed to contact Surveillance to record the photo.
46. On September 19, 2019, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$3,400 and requested that a photo be sent to Clarksville.
47. On October 1, 2019, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$5,000 and requested that a photo be sent to Clarksville.
48. On October 2, 2019, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$4,000 and requested that a photo be sent to Clarksville.
49. On October 5, 2019, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$3,500 and requested that a photo be sent to Clarksville.
50. On October 6, 2019, personnel from OTB Clarksville notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$3,150 and requested that a photo be sent to Clarksville.
51. On October 7, 2019, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$3,034.78 and requested that a photo be sent to Clarksville.
52. On October 12, 2019, a Race Sportsbook Supervisor notified Surveillance that another Race Sportsbook Supervisor failed to request an MTL photo for a patron for a transaction of \$3,002.48 and requested that a photo be sent to Clarksville.
53. On October 15, 2019, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$14,000.03 and requested that a photo be sent to Clarksville.
54. On October 19, 2019, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$3,000 and requested that a photo be sent to Clarksville.
55. On November 4, 2019, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$4,000 and requested that a photo be sent to Clarksville.

56. On November 23, 2019, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$11,801.90 and requested that a photo be sent to Clarksville.
57. On December 7, 2019, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$4,000 and requested that a photo be sent to Clarksville.
58. On December 28, 2019, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$3,490.46 and requested that a photo be sent to Clarksville.
59. On January 1, 2020, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$8,400 and requested that a photo be sent to Clarksville.
60. On January 11, 2020, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$5,500 and requested that a photo be sent to Clarksville.
61. On January 14, 2020, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$3,540 and requested that a photo be sent to Clarksville.
62. On January 18, 2020, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$5,154.55 and requested that a photo be sent to Clarksville.
63. On January 26, 2020, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$3,000 and requested that a photo be sent to Clarksville.
64. On February 1, 2020, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for an unidentified patron for a transaction of \$5,400 and requested that a photo be sent to Clarksville.
65. On February 3, 2020, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$3,060 and requested that a photo be sent to Clarksville.
66. On February 4, 2020, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for an unidentified patron for a transaction of \$3,639.36 and requested that a photo be sent to Clarksville.

67. On February 10, 2020, a Race Sportsbook Supervisor notified Surveillance that she failed to request an MTL photo for a patron for a transaction of \$3,868.91 and requested that a photo be sent to Clarksville.
68. On February 15, 2020, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$3,159.57 and requested that a photo be sent to Clarksville.
69. On February 16, 2020, a Race Sportsbook Supervisor notified Surveillance that he failed to request an MTL photo for a patron for a transaction of \$4,000 and requested that a photo be sent to Clarksville.
70. On February 22, 2020, a Race Sportsbook Supervisor notified Surveillance that she failed to request an MTL photo for a patron for a transaction of \$4,116.67 and requested that a photo be sent to Clarksville.
71. On February 24, 2020, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$5,192.57 and requested that a photo be sent to Clarksville.
72. On March 8, 2020, a Race Sportsbook Supervisor notified Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$4,715.32 and requested that a photo be sent to Clarksville.
73. On March 25, 2020, the Commission's Sports Wagering Investigator forwarded a document titled "Management Meeting" to the Gaming Enforcement Investigator. This document was provided by the Race Sportsbook Supervisor/GM mentioned in the disciplinary write-up above. This document detailed a policy and procedures section and noted that surveillance photos have to be completed prior to the patron leaving the window and that 90% of the surveillance reports were on this issue which would verify that Clarksville management was aware of these violations.
74. On August 23, 2020, a Gaming Enforcement Investigator was notified by Surveillance that a patron had placed wagers through three (3) separate transactions in the amount of \$12,811.27, however, three (3) different Supervisors failed to request an MTL photo of the patron at the time of each transaction.
75. On October 5, 2020, a Gaming Enforcement Investigator was notified by Surveillance that a Race Sportsbook Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$8,712.12. A photo was requested to be sent to Clarksville.
76. On October 27, 2020, a Gaming Enforcement Investigator was notified by Surveillance that a Lead Supervisor failed to request an MTL photo for a patron for a transaction of \$3,800. A photo was requested to be sent to Clarksville.

77. On January 13, 2021, a Gaming Enforcement Investigator was notified by Surveillance that a Supervisor failed to request an MTL photo for a patron for a transaction of \$10,647. A photo was requested to be sent to Clarksville.
78. On January 13, 2021, a Gaming Enforcement Investigator was notified by Surveillance that a Race Sportsbook Ticket Writer/Mutuel Teller failed to request an MTL photo for a patron for a transaction of \$11,450.10. A photo was requested to be sent to Clarksville.
79. On January 19, 2021, a Gaming Enforcement Investigator was notified by Surveillance that a Supervisor failed to request an MTL photo for a patron for a transaction of \$5,514.99. A photo was requested to be sent to Clarksville.
80. Chapter 2, Section 16(d) of the Emergency Rules for Sports Wagering provide except as outlined in this section, occupational licensing of an employee, independent contractor, agent or subagent of a sports wagering operator shall be governed by IC 4-33-8 and 68 IAC 2-3.
81. 68 IAC 2-3-9(a) provides all occupational licensees have a continuing duty to maintain suitability for licensure. An occupational license does not create a property right, but is a revocable privilege granted by the state contingent upon continuing suitability for licensure.
- (b) Riverboat licensees shall notify the commission that an occupational licensee is in violation of the requirements of this rule or IC 4-33 if the riverboat licensee is aware of the violation.
- (c) Occupational licensees shall do the following:
- (1) Notify the commission of any changes in the information submitted in the application or any information that could render the licensee ineligible to hold an occupational license.
- (2) Cooperate with and provide truthful information to enforcement agents and staff during any investigation regarding criminal activity or regulatory violations, or both.
- (d) Occupational licensees must notify the commission that a riverboat licensee, a supplier licensee, or an occupational licensee has violated the Act or this title as soon as the occupational licensee becomes aware of the violation.
82. 68 IAC 15-1-2(1) provides the purpose of the accounting records and procedures is to ensure the assets of the licensee are safeguarded.
83. The OTB Clarksville approved internal control procedures, XXIV, describe the procedures for sports wagering gratuities and provides that all tokens received shall be shown to the surveillance camera and then immediately placed in the tip box.
84. On February 18, 2020, a Gaming Enforcement Investigator (Investigator) was advised that the Commission's Audit Division had concerns with three (3) players placing suspicious wagers at a sports wagering kiosk (SWK). The activity took place on February 13, 2020 and was documented on a Race and Sports Exception Report which

noted that three (3) customers had to be hand paid due to the winning tickets being entered into the system wrong. The winning tickets were confirmed by the hub in Las Vegas. All three (3) customers placed wagers on the same SWK. The wagers were placed in a very short period of time, approximately within twelve (12) minutes.

85. On February 18, 2020, the Commission's Investigator received an email from a Gaming Agent at Indiana Grand, OTB Clarksville's home property, reporting that surveillance, while reviewing an unrelated matter, observed an OTB Clarksville employee assist three (3) patrons place bets on February 13, 2020 and sometime later, one (1) of the patrons approached the employee and handed him some money.
86. On February 19, 2020, the Commission's Investigator contacted an Indiana Grand Surveillance Supervisor requesting this surveillance coverage be saved and requested the employee be followed after he received the payment from a patron to determine what he did with the payment.
87. On February 19, 2020, the Commission's Investigator met with the Assistant General Manager at OTB Clarksville and advised her that he had license revocation paperwork for the employee involved in this matter. The Commission's Investigator privately interviewed the employee. The employee acknowledged that he personally knew two (2) of the patrons. The employee said it was possible that one (1) of the patrons gave him a tip for assisting them. When questioned about tip procedures, the employee provided that if he received a tip at the counter, it goes in the tip jar but if he gets the tip on the floor, it does not apply to the tip jar. The employee provided that the largest tip he received on the floor was probably a \$20 tip from a friend that he pocketed. When questioned about the exception report, the employee stated that all three (3) patrons had winning tickets but when they were scanned, it kept showing a losing ticket. The employee stated that when the Supervisor confirmed they were winners, they made hand payouts. The employee advised he paid two of the three. He stated he mistakenly overpaid one by \$300. The employee was then provided with his license revocation paperwork that focused on his failure to disclose his past criminal history.
88. The Commission's Investigator continued the investigation into the wagers placed by these individuals. It was determined that the wagers in questions were for a game between the Los Angeles Clippers and the Boston Celtics. The wager was for the first team to score ten (10) points in the second half. The Celtics scored ten (10) points first at 10:11 p.m., however, five (5) wagers were made on this event after 10:11 p.m. The patrons eventually had to be paid their winnings through a hand pay procedure due to the winning tickets being rejected when the normal scanning method was not working.
89. A review of surveillance coverage identified numerous money handling violations, questionable tip practices, all employees being distracted by cell phone usage and going through tickets in the trash.

COUNT II

90. 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.
91. 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.
92. 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.
93. 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.

94. The Winner's Circle OTB approved internal control procedures, A-18, describe the procedures for the Child Support Intercept Process.
95. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (CSADR) for September 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.
96. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (CSADR) for October 2020. The results of this audit found two (2) individuals were not searched through the CSADR system at the time sports wagering winnings in excess of \$600 was won.
97. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (CSADR) for November 2020. The results of this audit found two (2) individuals were not searched through the CSADR system at the time sports wagering winnings in excess of \$600 was won.
98. Gaming Agents conducted an audit of the Child Support Arrears Delinquency Registry (CSADR) for December 2020. The results of this audit found three (3) individuals were not searched through the CSADR system at the time sports wagering winnings in excess of \$600 was won.

COUNT III

99. IC 4-38-5-3(a) provides that a person who is less than twenty-one (21) years of age may not be present in an area where sports wagering is being conducted.
100. On September 28, 2020, Surveillance notified a Gaming Enforcement Investigator that an alert was received in Veridocs, a system that scans and displays information on government driver's licenses and identifications, that an underage person's identification was scanned by the Security Officer at the entrance. The underage person was allowed entry into OTB Clarksville on September 27, 2020.
101. On October 4, 2020, Surveillance notified a Gaming Enforcement Investigator that an alert was received in Veridocs that an underage person's identification was scanned by the Security Officer at the entrance. The underage person was allowed entry into OTB Clarksville. Surveillance initially tried to make contact with the property but no one answered the phone. Surveillance finally made contact with a Sportsbook Supervisor who advised he would have the underage person removed from the property, however, the Supervisor did not take immediate action to remove the patron. Surveillance finally contacted another Sportsbook Supervisor who ultimately ensured the underage person was removed from the property.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of the OTB Clarksville by and through its agents as described herein constitute a breach of IC 4-35, IC 4-38, the Emergency Rules for Sports Wagering, 68 IAC and/or OTB Clarksville's approved internal control procedures. The Commission and OTB Clarksville hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against OTB Clarksville.

OTB Clarksville shall pay to the Commission a total of \$47,500 (\$35,000 for Count I, \$8,000 for Count II and \$4,500 for Count III) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in the Findings of 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, OTB Clarksville agrees to promptly remit payment in the amount of \$47,500 and waive all rights to further administrative or judicial review.

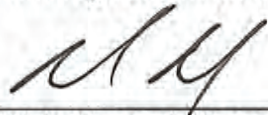
This Agreement constitutes the entire agreement between the Parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Agreement. This Agreement may not be modified, supplemented, or 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 OTB Clarksville.

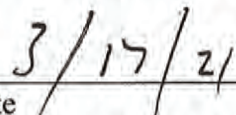
IN WITNESS WHEREOF, the Parties have signed this Agreement on the date and year as set forth below.

Sara Gonso Tait, Executive Director
Indiana Gaming Commission



Mike Rich, General Manager
Centaur Acquisition, LLC

Date



Date

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

Mike Rich, General Manager
Centaur Acquisition, LLC

Date