

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC 26-067
Bally's Kansas City Casino)
d/b/a Bally's Kansas City Casino)

PRELIMINARY ORDER FOR DISCIPLINARY ACTION

Comes now the Missouri Gaming Commission acting in its official capacity pursuant to 11 CSR 45-13.050, and states as follows:

1. The Missouri Gaming Commission (the "Commission" or "MGC") is a state commission created under Chapter 313, RSMo, with jurisdiction over gaming activities, including riverboat gambling activities, in the state of Missouri.
2. The Commission issued a Class A gaming license to Bally's Corporation to develop and operate Class B gaming licensees in the State of Missouri.
3. Bally's Corporation is the parent organization or controlling entity of Bally's Kansas City Casino.
4. The Commission issued a Class B riverboat gambling license to Bally's Kansas City Casino, to conduct games on and operate the excursion gambling boat known as Bally's Kansas City Casino (the "Casino").
5. As the holder of a Class B license, Bally's Kansas City Casino d/b/a Bally's Kansas City Casino, is subject to the provisions of sections 313.800 to 313.850, RSMo, and the regulations promulgated thereunder by the Commission.

STATEMENT OF FACTS¹

6. This discipline arises from violations discovered when a follow-up was conducted beginning on April 9, 2025, at Bally's Kansas City Casino by MGC auditors to determine if audit findings from an audit report had been corrected. Four (4) significant findings were found not to be implemented.
7. MGC Audit Report 24-07, Finding C-3 stated that a review on February 26, 2024, of transferred and promoted employees from August through November 2023, revealed six (6) of twenty-two (22) employees did not have their employment records updated to show their current position (27.2% error rate). During procedures to follow up on Finding C-3, MGC auditors performed a review of signature cards on April 16, 2025. The review revealed that of the six (6) cards from the finding, only one (1) had been updated to show the employee's current position. One (1) employee had been termed and was not reviewed. Four (4) of the previously incorrect signature cards were not

¹ GR 20250820001

updated to show the employee's current position. An additional sample of nine (9) employees transferred or promoted from January through March 2025 was selected. The review revealed one (1) of nine (9) employees did not have an updated signature card. In total, five (5) out of fourteen (14) reviewed signature cards were not updated, four (4) of which were part of the previous finding (35.7% error rate).

8. MGC Audit Report 24-07, Finding C-5 stated that a review of the weekly reconciliation of linked progressive Electronic Gaming Devices ("EGDs") from November 21 and 28, 2023, revealed fifty-eight (58) of ninety-three (93) variances were not investigated (62.3% error rate). During procedures to follow up on Finding C-5 on April 14, 2025, MGC auditors performed a review of the weekly reconciliation of linked progressive EGDs from March 25, April 1, and April 8, 2025. This review revealed that all variance investigations were not documented. Additional information received via email on April 15, 2025, from the Revenue Audit Manager revealed that Revenue Audit had sent the variances to the Slot Department for investigation; however, Revenue Audit did not receive a response (100.0% error rate).
9. MGC Audit Report 24-08, Finding A-1 stated that an observation of the card and dice collection on April 16, 2024, revealed unused cards and dice were not recorded on the Card and Dice Collection Log, as required. During procedures to follow up on Finding A-1, MGC auditors reviewed the card and dice collection on April 17, 2025. It was revealed that unused cards and dice were not recorded on the Card and Dice Collection Log.
10. MGC Audit Report 24-08, Finding A-9 stated that on April 25, 2024, a review of printed pamphlets and an observation of the table game layouts revealed Bally's published payoff schedules for six (6) of their eight (8) table games did not include all payouts as described in the internal controls (75.0% error rate). During procedures to follow up on Finding A-9 on April 16, 2025, MGC auditors found the layouts and brochures for the blackjack and baccarat games had not changed from the original finding. Bally's provided a new craps pamphlet which identified the payoff schedules for the Don't Pass Odds, the Don't Come Odds, the Lonestar Low Dice (3, 4, 5, 6), and the Lonestar High Dice (8, 9, 10, 11). However, a combination of the craps pamphlets, an inspection of the craps table, and an inspection of signage in the immediate area did not identify the payoff schedule for the Lonestar Place Bets (2, 3, 11, 12). It was noted that the layout and other craps pamphlets had not changed from the original finding. Neither blackjack, baccarat, nor craps included signage at the table with the required information.

LAW

11. Section 313.805, RSMo, states, in pertinent part, as follows:

The commission shall have full jurisdiction over and shall supervise all gambling operations governed by sections 313.800 to 313.850. The commission shall have the following powers and shall promulgate rules and regulations to implement sections 313.800 to 313.850:

* * *

(5) To investigate alleged violations of sections 313.800 to 313.850 or the commission rules, orders, or final decisions;

(6) To assess any appropriate administrative penalty against a licensee, including, but not limited to, suspension, revocation, and penalties of an amount as determined by the commission up to three times the highest daily amount of gross receipts derived from wagering on the gambling games, whether unauthorized or authorized, conducted during the previous twelve months as well as confiscation and forfeiture of all gambling game equipment used in the conduct of unauthorized gambling games. Forfeitures pursuant to this section shall be enforced as provided in sections 513.600 to 513.645;

* * *

(19) To take any other action as may be reasonable or appropriate to enforce sections 313.800 to 313.850 and the commission rules.

12. Section 313.812, RSMo, states, in pertinent part, as follows:

14. A holder of any license shall be subject to imposition of penalties, suspension or revocation of such license, or if the person is an applicant for licensure, the denial of the application, for any act or failure to act by such person or such person's agents or employees, that is injurious to the public health, safety, morals, good order and general welfare of the people of the state of Missouri, or that would discredit or tend to discredit the Missouri gaming industry or the state of Missouri unless the licensee proves by clear and convincing evidence that it is not guilty of such action. The commission shall take appropriate action against any licensee who violates the law or the rules and regulations of the commission. Without limiting other provisions of this subsection, the following acts or omissions may be grounds for such discipline:

(1) Failing to comply with or make provision for compliance with sections 313.800 to 313.850, the rules and regulations of the commission or any federal, state or local law or regulation;

(2) Failing to comply with any rule, order or ruling of the commission or its agents pertaining to gaming[.]

13. The Commission's Minimum Internal Control Standards ("MICS"), Chapter I, stated, in pertinent part, as follows:

4.02 The Class B licensee shall maintain an employment record for each gaming employee which includes the following:

(A) employee name and MGC license number;

(B) current department and job title, as listed on the organizational chart, and effective date;

(C) all previous job titles and their effective dates; and

(D) termination date, if applicable.

* * *

8.02 The Accounting department for each Class B licensee shall perform daily audits of the following: admissions, table games, poker, Electronic Gaming Devices, tournaments, casino cashiering, player tracking, currency transaction reporting, sensitive key access, and other areas deemed appropriate by the MGC for appropriateness and accuracy. The daily audit packets shall indicate the individual performing the audit. The currency transaction reporting audit may be completed by the Compliance department, in lieu of Accounting.

* * *

(D) Electronic Gaming Devices:

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(11) each banking day the Class B Licensee shall record the amount shown on each non-exempt local/in house progressive jackpot meter and accounting shall reconcile each meter's amount to the progression rate multiplied by the amount-in for the period between which the meter amounts were reconciled. Any variance of five cents (\$.05) or more shall be investigated and the results documented. For the weekly reconciliation required by 11 CSR 45-5.200(2) all variances regardless of the amount shall be investigated and the results documented. Any variances shall be addressed in accordance with 11 CSR 45-5.200(2).

14. Title 11 CSR 45-5.184 states, in pertinent part, as follows:

(15) At the end of the gaming day or, in the alternative, at least once each gaming day at the same time each day, as designated by the licensee in the internal controls and approved by the commission, and at other times as may be necessary, a security officer shall collect all decks in the pit(s), including sealed decks, sealed envelopes or containers with damaged cards, decks used during the gaming day, and decks with broken seals. The collection shall be recorded on the Card and Dice Collection Log. All sealed decks shall be returned directly to the primary storage area. The security officer shall return the envelopes or containers and the log to the card inspection room.

15. The Commission's MICS, Chapter D, states, in pertinent part, as follows:

11.14 At the end of the gaming day or, in the alternative, at least once each gaming day at approximately the same time:

(A) The table games supervisors shall:

(1) collect all cards and dice except as provided in (D) of this section;

(2) place all decks with broken seals that were not put into play, including replacement decks, and all inspected dice in a sealed envelope or container, which identifies the date and time and is signed by the table games supervisor; and

(3) maintain the envelopes, containers and sealed decks and dice in a secure place within the pit podium until collected by a security officer.

(B) After notifying Surveillance, a security officer shall count the cards and dice, collect all cards and dice from the table games supervisor, and log the receipt on the Card and Dice Collection Log. The log shall identify the decks that were handled by players.

(C) The security officer and a pit manager shall sign the Card and Dice Collection Log. The security officer shall then transport the decks with broken seals, inspected dice, and the log to the Card and Dice Inspection Room. All sealed decks and unused, uninspected dice shall be returned directly to the primary storage area without inspection.

(D) On 24-hour gaming days, cards and dice currently in play during the initial collection may remain in play until the new sealed decks and dice sets have been delivered to the pit and inspected for play. Any cards and dice not collected during the initial collection shall be collected by Security during a subsequent collection(s) in accordance with the rules above. The final collection shall occur within three hours of the initial collection allowing a complete reconciliation of all decks and dice for the gaming day.

16. Title 11 CSR 45-5.060 states, in pertinent part, as follows:

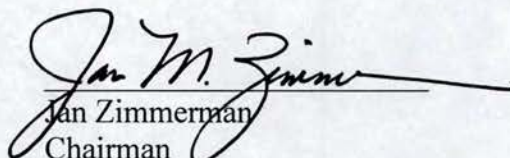
(1) A holder of a Class B license shall provide in printed form, to all patrons who request one, the rules and accurate payoff schedules for each game in the area in which the game is played. The license holder(s) shall make payment in strict accordance with the published payoff schedules. Payoff schedules must accurately state actual payoffs applicable to a particular game or device and shall not be worded in a manner so as to mislead the public. Maintenance of any misleading or deceptive matter on any payoff schedule or failure on the part of a Class B licensee to make payment in strict accordance with the published payoff schedules may be deemed an unsuitable method of operation. This form shall be posted in a conspicuous position on the boat.

VIOLATIONS

17. As a result of this widespread failure, the Casino violated 11 CSR 45-5.060, 11 CSR 45-5.184(15), and the Commission's MICS, Chapter I § 4.02 and 8.02(D)(11) and Chapter D § 11.14.
18. Bally's Kansas City Casino d/b/a Bally's Kansas City Casino, is therefore subject to discipline for such violations pursuant to sections 313.805 and 313.812.14(1) and (2), RSMo.

PENALTY PROPOSED

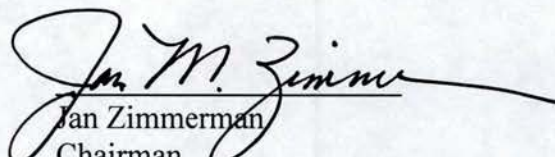
19. Under section 313.805, RSMo, the Commission has the power to assess any appropriate administrative penalty against Bally's Kansas City Casino, as the holder of a Class B license.
20. THEREFORE, it is proposed that the Commission fine Bally's Kansas City Casino d/b/a Bally's Kansas City Casino, the amount of fifteen thousand dollars (\$15,000.00) for the violations set forth herein.


Jan Zimmerman
Chairman
Missouri Gaming Commission

CERTIFICATE OF SERVICE

The undersigned hereby certifies that he caused a true and correct copy of the foregoing to be mailed, postage prepaid, this 25th day of June, 2026, to:

Mark Wong, GM
Bally's Kansas City Casino
1800 E. Front Street
Kansas City, MO 64120


Jan Zimmerman
Chairman
Missouri Gaming Commission