

# IN THE MISSOURI GAMING COMMISSION

In Re: )  
IOC – Kansas City, Inc. ) DC-13-699  
)  
)

## 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") is a state commission created under Chapter 313, RSMo (2000), with jurisdiction over gaming activities, including riverboat gambling activities, in the State of Missouri.
2. The Commission granted Isle of Capri Casinos, Inc. (Isle of Capri) a Class A riverboat gaming license to develop and operate Class B riverboat gaming licenses in the State of Missouri.
3. Isle of Capri is the parent organization or controlling entity of IOC – Kansas City, Inc. ("Company").
4. The Commission granted a Class B riverboat gaming license to the Company to maintain and conduct gambling games on and operate the excursion gambling boat or casino known as the *Isle of Capri Kansas City*.
5. As the holder of a Class B license, the Company is subject to the provisions of Sections 313.800 to 313.850, RSMo (2000), and the regulations promulgated thereunder by the Commission.

## STATEMENT OF FACTS<sup>1</sup>

6. On December 13, 2012, Trooper K.W. Murphy, assigned to the Gaming Division investigated a patron complaint in Kansas City, Missouri regarding redeemed comps on his Player's Reward Card. The patron stated that on several occasions in the past week he had attempted to redeem points from his Player's Reward Card noticing missing points on several occasions.
7. A review of surveillance coverage of Isle of Capri Casino, Kansas City showed that 7 fraudulent transactions utilizing the patron's Players Reward Card by two unidentified individuals on December 8, 9, 11 and 12, 2012.

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<sup>1</sup> 20121215003

8. In those transactions, three cashiers failed to request photo identification or a Personal Identification Number (PIN) from the party redeeming the points from the Player's Reward Card.

### LAW

9. Under Section 313.805(6), RSMo 2000, the Commission may assess any appropriate administrative penalty against a licensee, including but not limited to, suspension, revocation or penalties of an amount determined by the Commission.
10. Under Section 313.812.14, RSMo 2000, a holder of any license is subject to imposition of penalties, suspension or revocation of such license for any act or failure to act by himself or his 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.
11. Under Section 313.812.14(1), RSMo 2000, a licensee may be disciplined for failing to comply with or make provisions 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.
12. Under Section 313.812.14(2), RSMo 2000, a licensee may be disciplined for failing to comply with any rule, order or ruling of the Commission or its agents pertaining to gaming.
13. The Under 11 CSR 45-9.060(3), violations of the minimum internal control standards by a Class A licensee or an agent or employee of a Class A licensee are deemed to be unsuitable conduct for which the Class A licensee and/or its agent or employee is subject to administrative penalty pursuant to section 313.805(6), RSMo and 11 CSR 45-1 et seq., as amended from time to time. Any agent or employee of a Class A licensee that is involved in a violation of the minimum internal control standards may be subject to fine, discipline or license revocation.
14. The Commission's MICS, Chapter I, § 13.10 states, Photo identification or a Personal Identification Number (PIN) shall be required prior to a player receiving anything of value when redeeming points from the player rewards system.

### VIOLATIONS

15. The actions or omissions of employees or agents of the Company as described above constitute a failure to request identification or a Personal Identification Number prior to redeeming points from the player rewards system. The conduct as alleged is a violation of the Commission's minimum internal control standard Chapter I, § 13.10. Company is subject to discipline for such violations under 11 CSR 45-9.060(3) sections 313.805(6), 313.812.14 and 313.812.14 (1) & (2) RSMo.

**PENALTY PROPOSED**

16. Under Section 313.805(6), RSMo 2000, the Commission has the power to assess any appropriate administrative penalty against the Company, as the holder of a Class B license.
17. THEREFORE, it is proposed that the Commission fine IOC, Kansas City, Inc. the amount of \$10,000 for the violations set forth herein.

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Dr. Barrett Hatches  
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 \_\_\_\_ day of \_\_\_\_\_, 2013, to:

Mr. Todd Steffan, General Manager  
IOC-Kansas City, Inc.  
1800 East Front Street  
Kansas City, MO 64120

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Dr. Barrett Hatches  
Chairman  
Missouri Gaming Commission