

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC-14-017
The Missouri Gaming Company)

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 issued Penn National Gaming, Inc. a Class A gaming license to develop and operate Class B gaming licenses in the State of Missouri.
3. Penn National Gaming, Inc. is the parent organization or controlling entity of The Missouri Gaming Company.
4. The Commission issued a Class B riverboat gambling license to The Missouri Gaming Company. ("Company"), to conduct games on and operate the excursion gambling boat known as Argosy Riverside Casino ("Casino").
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 FACTS¹

6. On April 13, 2013, Corporal D. E. Sigman, a member of the Missouri State Highway Patrol assigned to the Gaming Division at the Argosy Riverside Casino, initiated a regulatory investigation on an intoxicated patron on the casino floor. The patron was allowed on the floor of the casino in an intoxicated condition and was allowed to gamble.
7. Review of the surveillance coverage showed that on April 12, 2013 at 11:55 p.m., the male patron arrived in the Valet Parking area. He walked from the valet to the Main Turnstile. He was unsteady as he walked through the Main Turnstile. Security Officer Raymond Jean was stationed at the Main Turnstile.

¹ 20130414001

8. At 11:57:23 p.m., the male patron gave Jean his identification. They had a brief conversation and he walked through the turnstile. He entered the section one restroom. He exited the restroom at 11:58:56 p.m., and walked toward Pit 1.
9. At 11:59:10 p.m., the male patron walked between Pits 1 and 2, met Table Games Dealer Diana M. Crouch, and touched her arm. At 11:59:14 p.m., the male patron and Crouch spoke to one another and hugged. The male patron continued walking to Table 16, Spanish 21. Crouch walked toward Table 16 talking to the male patron until 11:59:29 hours, and then she walked away.
10. At 11:59:52 p.m., the male patron approached Table 16, threw money and his identification on the table and attempted to sit at First Base. First Base was saved on the table and there was a drink at the position. Table Games Dealer Cheryl L. Marier, directed the male patron to the first position left of first base and completed the buy in.
11. At 12:00:23 a.m. on April 13, 2013, Table Games Supervisor Cuong H. Tang, took the male patron's identification and spoke to him until 12:00:43 a.m. At 12:01:50 a.m., Tang returned to the table, with the male patron's identification, and had conversation with him until 12:02:10 a.m. At 12:03:00 a.m., Tang returned the male patron's identification to him and spoke with him until 12:03:06 a.m. At 12:09:16 a.m., the male patron drank from the drink cup that had been placed at First Base prior to his arrival. At 12:09:28 a.m., the player at the first position to the left of second base was contacted by security, deemed intoxicated and asked to leave the casino. At 12:11:02 a.m., the male patron left Table 16. While the male patron was at Table 16, his actions were very deliberate and he drank from a cup that had been placed prior to his arrival. The surveillance coverage also showed that the male patron had difficulty stacking his chips.
12. At 12:11:15 a.m., he arrived at Table 10, Blackjack Double Deck. Table Games Dealer Jason M. Steele, was the dealer. At 12:11:43 a.m., Table Games Supervisor Lorenzo D. Valerio, obtained identification from the male patron. At 12:13:20 a.m., Valerio returned the male patron's identification. At 12:13:37 a.m., the male patron left Table 10, having his spot saved. At 12:14:55 a.m., the male patron returned to Table 10 and bought in.
13. At 12:19:18 a.m., Steele was tapped out and Table Games Dealer Deborah A. Groceman, began dealing. At 12:26:21 a.m., Beverage Server Beth A. Juranek, delivered a beer to the male patron. The male patron moved the beverage cup he was drinking from to a different cup holder. When he did he had difficulty placing the drink in the cup holder. Juranek had to retrieve her drink cart to make change for the male patron. Juranek completed the transaction at 12:27:27 a.m. At 12:43:05 a.m., Table Games Supervisor, Jeffery S. Jacobson, gave Groceman a tissue and was at the table until 12:44:09 a.m. At 12:46:09 a.m., Jacobson returned to Table 10 and watched

play until the male patron left the table at 12:48:03 a.m. At 12:51:04 a.m., the male patron returned to the table and then left the table at 12:51:55 a.m. While at Table 10, the male patron was swaying while standing, had difficulty replacing drinks into the drink holders, and his reactions appeared slow.

14. At 12:52:15 a.m., the male patron went to Table 16, Spanish 21 and bought in. Table Games Dealer Chad M. Smith, was dealing on Table 16. At 12:56:34 a.m., Table Games Supervisor John S. Williams, obtained identification from the male patron. At 12:56:47 a.m., Williams left the table with the identification. At 12:58:37 a.m., Williams returned the identification to the male patron. At 12:59:23 a.m., Smith was tapped out by Table Games Dealer Jonathan W. Lewis. At 01:02:52 hours, White left Table 16. While at this table, White had difficulty replacing his drink into the cup holder and his actions were deliberate.
15. At 1:03:27 a.m., the male patron exited the Main Turnstile and walked toward the atrium.
16. At 01:09:25 a.m., the male patron's friend and the other members of the group saw White walking from the area of the atrium toward the turnstile and starting calling to him. The male patron kept walking toward the turnstile, ignoring the group, Shift Manager Keith Wesley and Corporal Sigman. Wesley and Corporal Sigman stopped the male from entering the casino. The male patron was obviously intoxicated.
17. Wesley and Corporal Sigman explained to the male patron why he had been stopped and that he would not be allowed to reenter the casino. The male patron became very argumentative and reluctant to leave. At 01:16:00 a.m., the male patron, his friend and the rest of the group slowly walked to the Valet Entrance Door.
18. The intoxicated male patron was on the casino floor for one hour and five minutes. During his time he encountered twelve casino employees.

LAW

19. Section 313.805(6), RSMo, states the Commission may assess any appropriate administrative penalty against a licensee, including, but not limited to, suspension, revocation, and penalties of an amount 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.
20. Section 313.812.14, RSMo, states 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.

21. Section 313.812.14(1), RSMo, states that 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.
22. Section 313.812.14(2), RSMo, states that a licensee may be disciplined for failing to comply with any rule, order or ruling of the Commission or its agents pertaining to gaming.
23. Section 313.817.4, RSMo, states, “A person under twenty-one years of age shall not wager on an excursion gambling boat and shall not be allowed in the area of the excursion boat where gambling is being conducted; provided that employees of the licensed operator of the excursion gambling boat who have attained eighteen years of age shall be permitted in the area in which gambling is being conducted when performing employment-related duties, except that no one under twenty-one years of age may be employed as a dealer or accept a wager on a excursion gambling boat.”
24. Under 11 CSR 45-9.060(3), violations of the minimum internal control standards (“MICS”) 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.
25. Under 11 CSR 45-9.060(4), violations of the Class A licensee’s internal control system (“ICS”) by the Class A licensee or an agent or employee of the Class A licensee shall be prima facie evidence of unsuitable conduct for which the Class A licensee and/or its agents or employees may be subject to discipline pursuant to Section 313.806(6), RSMo, and 11 CSR 45-1 et seq., as amended from time to time.
26. 11 CSR 45-4.020(10), states that rules adopted prior to May 30, 2008 which previously referred to a Class A licensee shall refer to both a Class A licensee and a Class B licensee unless specifically identified otherwise
27. 11 CSR 45-5.053(3), The holder of a Class A license is expressly prohibited from the following activities: (B) Permitting persons who are visibly intoxicated to participate in gaming activity;

28. 11 CSR 45-12.090(3), Sale to Minors and Other Persons. An excursion liquor licensee shall not, through actions of his/her own or of an employee, sell, vend, give away its or otherwise supply any intoxicating liquor in any quantity whatsoever to any person under the age of twenty-one (21) years, to any person intoxicated or appearing to be in the state of intoxication, or to a habitual drunkard. A licensee shall not permit any person under the age of twenty-one (21) years, any intoxicated person, or any habitual drunkard to consume intoxicating liquor on the licensed premises.
29. According to the Commission's MICS, Chapter N, § 4.02, Persons who are visibly intoxicated shall not be permitted access to or allowed to remain on the casino floor.
30. According to the Commission's MICS, Chapter N, § 4.03, Persons who are visibly intoxicated shall not be allowed to place a wager.
31. According to the Company's Internal Control Standards Chapter NIII § 3.01 (B) N-C-2, intoxicated persons; Security and Player Service Representatives monitor for intoxicated persons attempting to enter the casino. Intoxicated persons will not be allowed to engage in gaming activities in the casino. Security, Food & Beverage and Casino employees will monitor for intoxicated patrons in the casino. The Security Shift Manager or other Security personnel, along with the assistance of other supervisors (if necessary) will determine if a patron is intoxicated. If the patron is determined to be intoxicated, the patron will be asked to leave. If an intoxicated patron attempts to operate a motor vehicle, Security will offer to call a cab for the patron. If the patron refuses, the patron will be advised the Riverside Department of Public Safety will be notified of their vehicle description. At the discretion of the Security Shift Manager or other security personnel, the intoxicated patron may be allowed to remain on property, either in a public area, restaurant or the hotel but they will not be allowed onto the Gaming Floor.

VIOLATIONS

32. The actions or omissions of employees or agents of the Company in allowing a visibly intoxicated person on to the casino gaming floor, consume alcohol and gamble, violates Section 313.817.4, RSMo; 11 CSR 45-5.05(3)(B), 11 CSR 45-12.090(3) and the Commission's MICS, Chapter N § 4.02 & 4.03; and the Company's ICS Chapter NIII § 3.01 (B) N-C-2. The Company is subject to discipline for such violations under 11 CSR 45-9.060(3) & (4), and sections 313.805(6), 313.812.14, and 313.812.14(1) & (2), RSMo.

PENALTY PROPOSED

- 33. Under Section 313.805(6), RSMo, the Commission has the power to assess any appropriate administrative penalty against the Company, as the holder of a Class B license.
- 34. THEREFORE, it is proposed that the Commission fine Missouri Gaming Company the amount of \$5,000 for the violations set forth herein.

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 _____, 2014 to:

Mr. John Chaszar, General Manager
Argosy Riverside Casino
777 NW Argosy Parkway
Riverside, MO 64150

Dr. Barrett Hatches
Chairman
Missouri Gaming Commission