

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC14-336
PNK (River City), LLC)

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 2000,¹ with jurisdiction over gaming activities, including riverboat gambling activities, in the State of Missouri.
2. The Commission issued Pinnacle Entertainment, Inc., a Class A gaming license to develop and operate Class B gaming licenses in the State of Missouri.
3. At all relevant times as alleged herein, Pinnacle Entertainment, Inc., was the parent organization or controlling entity of PNK (River City), LLC, and Casino One Corporation.
4. The Commission issued a Class B riverboat gambling license to PNK (River City), LLC, to conduct games on and operate the excursion gambling boats known as *River City Casino*.
5. The Commission issued a Class B riverboat gambling license to Casino One Corporation to conduct games on and operate the excursion gambling boats known as *Lumiere Place Casino*.
6. As the holder of a Class B license, PNK (River City), LLC is subject to the provisions of §§ 313.800 to 313.850, RSMo, and the regulations promulgated thereunder by the Commission.

STATEMENT OF FACTS²

7. *River City Casino* and *Lumiere Place Casino* (collectively, the "Casinos") held a total of 53 MyCash multiplier promotions between March 27, 2011 and September 15, 2013.
8. Between March 27, 2011 and September 15, 2013, the Casinos' systems failed to qualify patron transactions that began prior to the designated start time for the promotion, 6:00 a.m., and continued playing during the promotion.

¹ All statutory references are to RSMo 2000, unless otherwise specified

² 20131023013

9. As a result of the Casinos' systems' failure to qualify those patrons whose game play began prior to 6:00 a.m. during the promotions, patron accounts did not receive a five-times point multiplier, as defined in the Casinos' rules of the game for those promotions.
10. A total of 980 patrons were affected by the error to the promotion's point multiplier issue described above at the two Casinos, requiring the Casinos to credit a total of \$10,513.08 in various amounts to those 980 patrons.

LAW

11. Under § 313.805(6), RSMo, 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.

12. Section 313.812.14, RSMo, states, in pertinent part, as follows:

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 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 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 regulations;
- (2) Failing to comply with any rule, order or ruling of the commission or its agents pertaining to gaming; and

13. Title 11 CSR 45-5.181 states, in pertinent part, as follows:

(2) Class B licensees may provide promotional activities such as promotional giveaways, promotional coupons, promotional games, player reward programs or similar activities for patrons without the prior approval of the commission, provided the promotional activity is not structured or conducted in a manner that reflects negatively on the licensee, the commission, or the integrity of gaming in Missouri and complies with the following:

- (A) No false or misleading statements, written or oral, shall be made by a licensee or its employees or agents regarding any aspect of any promotional activity;

* * *

- (C) The Class B licensee shall create dated, written rules governing the promotional activity, which rules shall be immediately available to the public and the commission upon request. The licensee shall maintain the rules of the event and all amendments thereto, including criteria for entry and winning, prizes awarded, and prize winners, for a minimum of two (2) years from the last day of the event;
- (D) All prizes offered in the promotional activity shall be awarded according to the Class B licensee's rules governing the event[.]

VIOLATIONS

- 14. The actions or omissions of employees or agents of PNK (River City), LLC, as described above constitute the failure to comply with the rules of its own promotion, thereby violating 11 CSR 45-5.181(2)(A) and (D).
- 15. PNK (River City), LLC, is therefore subject to discipline for such violations pursuant to §§ 313.805(6) and 314.812.14 (1) and (2), RSMo.

PENALTY PROPOSED

- 16. Under § 313.805(6), RSMo, the Commission has the power to assess any appropriate administrative penalty against PNK (River City), LLC, as the holder of a Class B license.
- 17. THEREFORE, it is proposed that the Commission fine PNK (River City), LLC, the amount of \$5,000 for the violations set forth herein.

Darryl T. Jones
Vice-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 18th day of September, 2014, to:

Chris Plant
River City Casino
777 River City Casino Blvd.
St. Louis, MO 63125

Darryl T. Jones
Vice-Chairman
Missouri Gaming Commission