

IN THE MISSOURI GAMING COMMISSION

In Re:)
AGL Investments Godo Kaisha) DC 24-011

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 Key Business Entity License to AGL Investments Godo Kaisha (“AGL”). AGL is a Key Business Entity of Gaming Partners International (“GPI”), who is an MGC supplier licensee.
3. The Commission issued a Key Person License to Yasushi Shigeta (MGC327588) as the director of AGL.
4. As the holder of a Key Business Entity License and a Key Person License, AGL and Mr. Shigeta are subject to the provisions of Sections 313.800 to 313.850, RSMo, and the regulations promulgated thereunder by the Commission.

STATEMENT OF FACTS¹

5. Mr. Shigeta initially made his application for an MGC Key Person License as a Managing Partner for AGL in March 2019. Mr. Shigeta was granted a temporary Key Person License in 2019. Due to the difficulty in obtaining Mr. Shigeta’s initial and complete application materials, Mr. Shigeta retained a temporary license for an extended period of time, until his full license was approved by the Commission on October 27, 2021. Mr. Shigeta’s Key Person License was scheduled to expire on April 30, 2023. MGC regulations require applications for renewal of a Key Person License be filed in advance of expiration. Pursuant to MGC regulations, Mr. Shigeta’s renewal application for a Key Person License was due on or before February 1, 2023.
6. On March 9, 2023, MGC Administrative Support Professional Stephanie Miller sent an email reminder regarding Mr. Shigeta’s upcoming license expiration. That email was sent to staff at Gaming Partners International (“GPI”), who manages compliance and licensing for AGL Key Persons. The email specifically indicated that Mr. Shigeta’s renewal application was due and had not been received. She did not receive a reply. On March 30,

¹ GR 20230511002

2023, MGC Licensing Manager LeAnn McCarthy reached out to GPI Compliance Manager Jenny Sholer regarding Mr. Shigeta's renewal. Between March 30, 2023, and April 26, 2023, MGC Manager LeAnn McCarthy exchanged multiple emails with GPI Compliance Manager Jenny Sholer in an attempt to obtain Mr. Shigeta's renewal application and required documentation before his license expired on April 30, 2023. These emails included correspondence on April 11, 2023, in which Ms. McCarthy reminded Ms. Sholer that if Mr. Shigeta's documentation was not received and his license expired, he would "need to begin the process again." Ms. McCarthy also advised Ms. Sholer that if Mr. Shigeta's license expired, he would be unable to conduct any work in Missouri or for any Missouri properties.

7. Because of the tardiness of Mr. Shigeta's renewal application and necessary documentation, the Commission issued an extension of Mr. Shigeta's license.
8. Mr. Shigeta's application with all necessary documentation was not received by MGC until May 12, 2023. Mr. Shigeta's license was eventually renewed prior to the expiration of his extension.

LAW

9. 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.

10. 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.

* * *

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

11. 11 CSR 45-4.390 states, in pertinent part, as follows:

(1) At least sixty (60) days for key person and Level I licensees and fifteen (15) days for Level II licensees before the first day of the month of expiration, each licensee shall file for renewal on forms available on the commission's website or authorize a Class A or Class B licensee to submit an application for renewal on his/her behalf in accordance with 11 CSR 45-10.110(2).

VIOLATIONS

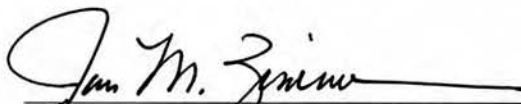
12. AGL and Mr. Shigeta had a duty to submit Mr. Shigeta's renewal application on or before February 1, 2023, as provided in 11 CSR 45-4.390(1). As of March 9, 2023, the renewal application and documents had not been received, nor were they received prior to the expiration of Mr. Shigeta's Key Person License on April 30, 2023. This necessitated the granting of an extension by the Commission so that Mr. Shigeta's license did not lapse.

13. AGL and Mr. Shigeta's failure to timely renew Mr. Shigeta's Key Person License is injurious to the public health, safety, morals, good order and general welfare of the people of the state of Missouri and discredits the Missouri gaming industry and the State of Missouri, in that AGL's acts violate 11 CSR 45-4.390(1).

14. AGL is therefore subject to discipline for such violations pursuant to Sections 313.805 and 313.812.14(2), RSMo.

PENALTY PROPOSED

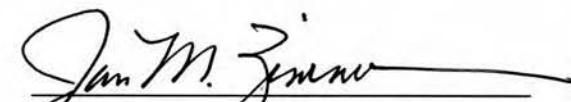
- 15. Under Section 313.805, RSMo, the Commission has the power to assess any appropriate administrative penalty against AGL as the holder of a Key Business Entity License.
- 16. THEREFORE, it is proposed that the Commission fine AGL Investments Godo Kaisha (AGL) the amount of \$10,000 for the violations set forth herein.


Jan M. 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 22nd day of February, 2024, to:

AGL Investments Godo Kaisha
3770 Howard Hughes Parkway, Ste. 250
Las Vegas, Nevada 89169
Attn: Jenny Sholer


Jan M. Zimmerman
Chairman
Missouri Gaming Commission