

IN THE MISSOURI GAMING COMMISSION

In Re:)
IOC – Kansas City, Inc.) DC-13-628
)
)

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 FACTS¹

6. During a compliance audit of the Isle of Capri - Kansas City casino on October 12, 2012, MGC auditors reviewed selected General Ledger accounts and purchasing invoices which revealed gaming-related equipment that was purchased from two (2) unlicensed suppliers. A Mikohn Con2i SuperController was purchased from S & J Enterprises of Las Vegas, and IGT S2000 CPU and enhanced main boards were purchased from American Gaming and Electronics. Neither S & J Enterprises of Las Vegas nor American Gaming and Electronics had been licensed by the Missouri Gaming Commission to sell gaming equipment or supplies to Missouri's Class B Licensees.

¹ 20121113007

LAW

7. 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.
8. 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.
9. 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.
10. 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.
11. Under 11 CSR 45-5.080, (1) Chips, tokens, dice, playing cards and electronic gaming devices may only be purchased from a licensed supplier of those items.

VIOLATIONS

12. The actions or omissions of employees or agents of the Company in purchasing electronic gaming devices from unlicensed vendors violated 11 CSR 45-5.080(1). The Company is subject to discipline for such violations under sections 313.805(6), 313.812.14, and 313.812.14(1) & (2), RSMo.
13. 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.

PENALTY PROPOSED

THEREFORE, it is proposed that the Commission fine Isle of Capri Kansas City, Inc. 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 _____, 2013 to:

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

Dr. Barrett Hatches
Chairman
Missouri Gaming Commission