

# IN THE MISSOURI GAMING COMMISSION

In Re: )  
IOC – Cape Girardeau, LLC ) DC-13-633  
)  
)

## 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 – Cape Girardeau, LLC ("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 Cape Girardeau 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 FACTS<sup>1</sup>

6. On November 29, 2012, Trooper M.B. LoMedico, a member of the Missouri State Highway Patrol Gaming Division at the Isle of Capri Cape Girardeau Casino, initiated a regulatory investigation into the improper issuance of vendor and visitor badges by Isle of Capri Security Officers which occurred between the opening of the Casino and November 29, 2012. The Security Department failed to have temporary employee access badges and the Temporary Badge Issue Log as required. Security was distributing visitor passes to employees who forgot their badges instead of temporary employee access badges.

---

<sup>1</sup> 20121129001

## 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 45-9.060(4), violations of the Class A licensee's internal control system 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 313.805(6), RSMo, and 11 CSR 45-1 et seq., as amended from time to time.
12. The Company's ICS, Chapter N, § 4.05 states, The Internal Control System shall contain detailed procedures for control over the following situations and activities, including who participates in each activity, their duties and responsibilities, forms completed, signatory responsibilities, and all applicable controls for the following:
  - C. Lost employee access and gaming licenses.
    1. Any employee who has lost their employee access or gaming license badge will obtain a temporary employee access badge from Security Dispatch and a temporary gaming license badge from MGC.
  - D. Issuance and return of temporary badges.
    1. Badges will be issued to employees who have lost their identification badges. A Temporary Badge Issue Log (N2) containing the following will be completed and submitted to the Security Manager for review.

a) Name (printed) and signature of employee;  
b) Badge number;  
c) Date and time issued and returned;  
d) Department;  
e) Signature of Security Officer issuing the badge; and  
d) Signature of employee approving issue of badge. (The employee's immediate or higher supervisor will approve an employee's temporary badge issue. In the absence of the employee's immediate or higher supervisor, a Slot Shift Manager can approve the temporary badge. Department heads can approve one another's and the VP/General Manager's temporary badge.)

2. Temporary badges are to be returned at the end of each shift. It will be the Lead Security's responsibility to follow-up on any badges not returned within the above period. Notation of this follow-up will be made on the log documenting issuance of the badge.

3. Gaming licenses that are determined to be lost will be replaced on the next scheduled day that MGC processes license applicants.

### **VIOLATIONS**

13. The actions or omissions of employees or agents of the Company in failing to follow the proper procedures in issuing and documenting temporary employees access badges violated 11 CSR 45-9.060 (4), and the Company's ICS, Chapter N, § 4.05 (C),(D),(1),(2) & (3). The Company is subject to discipline for such violations under sections 313.805(6), 313.812.14, and 313.812.14(1) & (2), RSMo.
14. 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 Cape Girardeau, LLC the amount of \$15,000 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. Baron Fuller, Vice President/General Manager  
IOC-Cape Girardeau, LLC  
777 N. Main  
Cape Girardeau, MO 63701

---

Dr. Barrett Hatches  
Chairman  
Missouri Gaming Commission