

IN THE MISSOURI GAMING COMMISSION

In Re:)
IOC – Cape Girardeau, LLC) DC-13-696
)
)

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 FACTS¹

6. On December 2, 2012, Corporal T.M. James, a member of the Missouri State Highway Patrol Gaming Division at the Isle of Capri Cape Girardeau Casino, initiated a regulatory investigation into the issuance by a Isle of Capri Security Officer of a vendor badge to a Level II employee who did not have their property issued badge instead of the required temporary employee badge as required by their internal controls as ordered by an Missouri Gaming Commission Agent on November 29, 2012.
7. A review of the Vendor / Visitor Logs showed that on November 30, 2012, two additional violations occurred when visitor badges were issued to employees after the

¹ 20121205010

security department was informed employees can only be issued temporary employee badges.

LAW

8. 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.
9. 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.
10. 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.
11. 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.
12. Under 11 CSR 45-4.410(1) All employees and occupational licensees other than key person/key person business entity licensees shall at all times while performing the functions of their positions display on their person in a clearly visible manner a valid, riverboat-issued, casino access badge, unless a waiver has been granted in writing for a particular job function. No casino access badge granting access to any riverboat gaming operation may be held by any person unless that person has been authorized for such access by the Class A or Class B applicant or licensee of the riverboat gaming operation for which the badge is to be issued. Each Class A or Class B applicant or licensee must notify the commission that such authorization has been granted before any identification badge may be issued to the person. Each Class A or Class B applicant or licensee must notify the commission within ten (10) days if any such authorization has been revoked.
13. 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.

14. The Company's ICS, Chapter N, § 4.05 (D) (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) Signature of Security Officer issuing the badge; and
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.

VIOLATIONS

15. The actions or omissions of employees or agents of the Company in failing to follow the proper procedures in issuing vendor badges to employees violated 11 CSR 45-4.410(1), 11 CSR 45-9.060(4) and The Company's ICS, Chapter N, § 4.05 (D),(1),(2). The Company is subject to discipline for such violations under sections 313.805(6), 313.812.14, and 313.812.14(1) & (2), RSMo.

16. 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 \$20,000 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, General Manager
IOC-Cape Girardeau, LLC
777 N. Main
Cape Girardeau, MO 63701

Dr. Barrett Hatches
Chairman
Missouri Gaming Commission