

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC-14-011
Casino One Corporation)

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 issued Pinnacle Entertainment, Inc., a Class A gaming license to develop and operate Class B gaming licenses in the State of Missouri.
3. Pinnacle Entertainment Inc. is the parent organization or controlling entity of Casino One Corporation.
4. The Commission issued a Class B riverboat gambling license to Casino One Corporation ("Company"), to conduct games on and operate the excursion gambling boat known as Lumiere Place Casino ("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 November 11, 2012, Sergeant T.M. Barthelmass assigned to the Gaming Division at Lumiere Place Casino, St. Louis, Missouri was contacted by Slot Floorperson Tarah Jimenez who stated she saw Electronic Gaming Device (EGD) BB1106-3926 flashing a message on the screen indicating the BV door was open. Jimenez stated she opened the main door of the EGD and discovered the BV door was not locked.
7. Review of the surveillance coverage showed that at 7:50 a.m. on November 11, 2012, Drop team member Rasheed Estes attempted to close EGD BB1106-3926 but there is no available footage of actual closing of the EGD due to the camera being used to monitor the Drop team, however Estes is visible at the EGD functioning as the closer.

¹ 20121111010

Estes had been issued 10 prior Notice of Investigations including two for failing to secure EGDs.

LAW

8. Under Section 313.805(6), RSMo 2000, 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.
9. Under Section 313.812.14, RSMo 2000, 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. Under Section 313.812.14(1), RSMo 2000, 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. Under Section 313.812.14(2), RSMo 2000, 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 45-4.020(10) rules adopted prior to May 30, 2008 which previously referred to a Class A licensee shall refer to both a Class A and B licensee unless specifically identified otherwise.
13. Under 11 CSR 45-9.060(3), violations of the minimum internal control standards by a Class A licensee or an agent or employee of a Class A licensee are deemed to be unsuitable conduct for which the Class A licensee and/or its agent or employee is subject to administrative penalty pursuant to section 313.805(6), RSMo and 11 CSR 45-1 et seq., as amended from time to time. Any agent or employee of a Class A licensee that is involved in a violation of the minimum internal control standards may be subject to fine, discipline or license revocation.
14. 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.

15. The Commission's Minimum Internal Control Standard (MICS) Chapter E, § 1.04 The person who opens the EGD must be present the entire time the door is open, except during scheduled drops when security is present.
16. Under The Company's ICS, Chapter E, § 1.04 All EGD main, belly glass, bill validator access and drop compartment doors shall be alarmed and shall be locked when not opened for an authorized purpose. The alarm shall create an audible signal in the casino surveillance system and may be turned off only during the drop or any other time when approved by an MGC agent. EGDs and drop compartments not communicating alarm signals shall not contain any coin or currency.

VIOLATIONS

17. The actions or omissions of employees or agents of the Company as described above constitute a violation of the regulation requiring that bill validator doors are to be locked when not open for an authorized purpose. The conduct alleged above violates 11 CSR 45-9.060 (3), (4); the Commission's MICS Chapter E, § 1.04 and the Company's ICS, Chapter E, § 1.04. The Company is subject to discipline for such violations under sections 313.805(6) and 313.812.14, RSMo.

PENALTY PROPOSED

18. Under Section 313.805(6), RSMo 2000, the Commission has the power to assess any appropriate administrative penalty against the Company, as the holder of a Class B license.
19. THEREFORE, it is proposed that the Commission fine Casino One Corporation the amount of \$2,500 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 _____, 2014, to:

Mr. Jeff Babinski, General Manager
Lumiere Place Casino
999 North Second
St. Louis, MO 63102

Dr. Barrett Hatches
Chairman
Missouri Gaming Commission