

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC-14-012
Harrah's North Kansas City, LLC)

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 Caesars Entertainment, Inc. a Class A gaming license to develop and operate Class B gaming licenses in the State of Missouri.
3. Caesars Entertainment, Inc. is the parent organization or controlling entity of Harrah's North Kansas City, LLC.
4. The Commission issued a Class B riverboat gambling license to Harrah's North Kansas City, LLC ("Company"), to conduct games on and operate the excursion gambling boat known as Harrah's North Kansas City ("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. A Missouri Gaming Commission (MGC) audit was conducted at the Harrah's North Kansas City for the audit period of May 1, 2011 through August 31, 2012. During the audit, it was revealed through surveillance that count team members failed to clear their hands during 69 of 1,134 instances when moving to or from the count room tables while currency was on the table.
7. MGC auditors conducted a follow-up audit in January 2013 and it was determined by surveillance footage of the table and bill validator counts from December 3, 2012 that count team members failed to clear their hands in 33 of 111 instances.

¹ 20130506003

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 45-9.060(3), violations of the minimum internal control standards (“MICS”) 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.
13. Under the Commission’s Minimum Internal Control Standards (“MICS”) Chapter G, § 13.09, Count team members may not remove their hands from or return them to a position on or above the count table unless the backs and palms of their hands are first held out and exposed to other members of the count team and the surveillance cameras.

VIOLATIONS

14. The actions or omissions of employees or agents of the Company as described above constitute a failure of the Casino to abide by the regulations concerning a failure of count team members to clear their hands when moving to or from the count room tables while currency was on the table. The conduct alleged above violates the Commission’s minimum internal control standards Chapter G, § 13.09. The Company is subject to discipline for such violations under 11 CSR 45-9.060(3), and Sections 313.805(6), 313.812.14, 313812.14(1) & (2), RSMo.

PENALTY PROPOSED

- 15. 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.

- 16. THEREFORE, it is proposed that the Commission fine Harrah's North Kansas City, LLC 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 _____, 2014, to:

Mr. Thomas Cook, General Manager
Harrah's North Kansas City
One Riverboat Drive
North Kansas City, MO 64116

Dr. Barrett Hatches
Chairman
Missouri Gaming Commission